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ALLIES OR COMPETITORS—WHICH ARE THE FEDERAL RESERVE BANKS TO BE?

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THIRD AVENUE RAILWAY COMPANY

REPORT FOR YEAR ENDED JUNE 30, 1914

DATED JULY 1, 1914

New York, July 1st, 1914.

To the Board of Directors of the Third Avenue Railway Company:

Since the last reports were published the Third Avenue Railway System has been increased by the acquisition of the Mid-Crosstown Railway, the Belt Line Railway and additional holdings in the New York City Interborough Railway, so that the Third Avenue now owns the following companies, which have, respectively, amount of mileage set opposite their names:

Third Avenue Railway Company	27.154
Kingsbridge Railway Company	7.058
42nd St., Man. & St. Nich. Ave. Ry. Co.	20.340
Rec., Dry Dock, E. B'way & Battery R. R. Co.	19.355
Belt Line Railway Corporation	24.475
Third Avenue Bridge Company	3.665
Mid-Crosstown Railway Co., Inc.	4.416
Union Railway Company of New York City	93.991
Bronx Traction Company	22.692
New York City Interborough Railway Company	36.803
Southern Boulevard Railroad Company	9.024
Westchester Electric Railroad Company	41.644
Yonkers Railroad Company	41.883
New York, Westchester & Connecticut Traction Company	5.153
Total	357.623

These companies own large amounts of real estate, of which a list was contained in Schedule A attached to the report dated January 1st, 1913. To that list is to be added a large plot on Tenth Avenue between 53rd and 54th Streets, belonging to the Belt Line Company.

Payment for these additional properties was made in the first instance in part from current funds and in part by the issue of notes of the Company, but it is to be remembered that under the First Refunding Mortgage of the Third Avenue Railway Company $12,632,000 of its First Refunding Mortgage 4% bonds were reserved to be issued from time to time for the acquisition of property including stocks and bonds of other companies, or for additions, improvements or betterments.

BOND ISSUE:

Under this clause the company made an application to the Public Service Commission for the issue of $6,650,000 of these bonds in paying for the new properties above referred to, and to recoup the Treasury for other large capital expenditures which had been made.

Inasmuch as the exhaustive examination of these expenditures by the Commission's engineers and accountants would require much time, a preliminary order was procured in March, 1914, authorizing the issue of $4,000,000 of these bonds against the purchase by the Third Avenue Railway Company of $4,221,000 par value of the capital stock and $1,702,000 par value of the First Mortgage Bonds and certain unsecured debts of the New York City Interborough Railway Company, and $734,000 par value of the capital stock and $1,750,000 par value of the First Mortgage Bonds of the Belt Line Railway Corporation. The $4,000,000 Third Avenue bonds thus authorized were at once sold at public offering at prices which netted the company $3,321,748.90, being somewhat in excess of 83.04%. The proceeding so far as it involves the consent of the Commission to issue bonds to cover the expenditures made or to be made for new property, additions, betterments and improvements, is still pending, and it is anticipated that the Commission will authorize the issue of upwards of $1,250,000 additional bonds for these purposes.

In February, 1914, the Public Service Commission authorized the Third Avenue Company to acquire and hold $150,000 par value of the stock of the Mid-Crosstown Railway Company, Inc.; and in April, 1914, in payment therefor, the Third Avenue Railway Company issued, with the consent of the Commission, $180,000 par value of said bonds, and gave its promissory note for $250,000 payable in three equal annual instalments with interest at 4%, and cancelled claims amounting to $34,44[illegible].81 which it had against the Mid-Crosstown Company. That company has no other stock outstanding, and on the completion of the purchase had no indebtedness whatever.

The above mentioned stock and bonds of the Belt Line Railway Corporation constitute all of its outstanding stock and bonds. They were acquired by the Third Avenue Railway Company at a total cost of $2,723,043.99. The net earnings of the Belt Line Company after the payment of 5% interest on its bonds amounted, for the year ending June 30th, 1914, to $23,886.17, in spite of the heavy losses resulting from the extraordinary snow storms of February and March. During the three months ended September 30th, 1914, they amounted to $20,265.37.

In addition to the above mentioned stocks and bonds of the New York City Interborough Railway Company the Third Avenue Railway Company has acquired $194,000 par value of its stock, and $375,000 par value of its bonds; and therefore now owns $4,417,000 par value of its stock and $2,132,000 of its bonds. The aggregate cost of these securities and of certain unsecured debts of the New York City Interborough Railway Company was $1,625,828.64. $583,000 par value of its stock is in the hands of the public. It has no other bonds outstanding, except $87,000 held in the sinking fund provided by its mortgage. The lines of the company, so far as it is now practicable to construct them, have been completed, and I, as contractor, have accounted and been released. I received no profit or compensation as contractor. The receipts of the company are showing a gratifying increase.

Out of the proceeds of the said $4,000,000 First Refunding Mortgage 4% Bonds which were sold, the notes of the company were paid, resulting in a reduction of annual interest charges of about $25,000. The total amount of First Refunding Mortgage 4% Bonds now outstanding is $19,970,000.

REDUCTION OF CAPITAL:

The Third Avenue Railway Company held $900,000 par value of the capital stock and $2,500,000 of the First Mortgage bonds of The New York, Westchester & Connecticut Traction Company, being all of its outstanding stock and bonds which had been purchased at a total cost of $375. The capitalization of the company was excessive, and accordingly the Third Avenue Railway Company cancelled $2,450,000 par value of its bonds and consented to the reduction of its capital stock from $900,000 to $200,000.

MAINTENANCE AND DEPRECIATION:

I reiterate what I said in the last report, that the endeavor of the company is to maintain the whole of this property in the highest state of efficiency. The condition of the buildings is shown by the fact that the insurance rates are less than one-half what they formerly were. The cars are cleaned and carefully inspected every day, washed once a week with a carbolic solution, and at the end of every 10,000 miles they are taken into the shops, the motors taken off and thoroughly overhauled, and whenever anything is found necessary to be done it is done forthwith. The fund for depreciation, renewals and contingencies has remained intact, and the payments into that fund amount to $500,000 per annum.

BENEFIT ASSOCIATION:

On the 30th of June, 1914, the Third Avenue Railroad Employees' Association had been in existence for a period of five years and six months. During that time there has been contributed by the members for dues, $71,191.00, and by the Companies, $71,191.00. 3,000 members have been paid for sick benefits, $39,186.75. 52 members have died, their beneficiaries in each case receiving $250.00.

The Association Physician has given free medical advice in upwards of 9,000 cases. On June 30th, 1914, the Association had to its credit in cash, $4,898.49, and in securities (City of New York Bonds), $69,058.30, or a total of $73,956.79.

During the year ending June 30th, 1914, 725 cases were relieved by the payment of sick benefits amounting to $11,432.00, and there were ten deaths, the beneficiaries in each case receiving $250.00. The Association Physician gave free medical advice in 1500 cases.

INSURANCE:

On December 29th, 1913, an agreement between the Third Avenue Railway System and the Travelers Insurance Company of Hartford went into effect. Under the terms of this agreement any employee of the Company, who elected to take the insurance, received a life policy of $1,000.00, and an accident policy covering permanent disability. The payment on these policies was made in a lump sum by the Railway Company on account for the men who were insured. The cost to the insured in a case of membership in the Benefit Association was 15 cents a week, and of those who were not members of the Association 24 cents a week. Up to June 30th six employees died and the beneficiaries of each received $1,000.00 insurance.

POWER CONTRACT:

This contract has worked satisfactorily and has resulted in a saving of nearly the $50,000.00 a year which was anticipated.

NEW CARS:

Our engineers have designed a new type of car with a seating capacity of 45, as against 51 in the standard car, which weighs 28,000 pounds, as against 38,000, the weight of the standard car, and which uses about one-third less power than the standard car. Fifty of these cars have been ordered and will be installed in service during the ensuing year. They will, it is hoped, be entirely paid for from the proceeds of the sales of old cars. Some of them may be seen in operation on 149th Street.

PRINTING ESTABLISHMENT:

During the year a small printing plant for printing transfers and other printing of the Corporation was installed upon a piece of property belonging to the Company which will cost about $25,000, and it is expected that the operations of this plant will save the Company $25,000 a year.

FINANCES:

I add hereto a balance sheet as of the 30th of June marked "A" and an Income Account for the year ending June 30th marked "B," showing the net earnings of the system for the year, after the payment of all interest charges, taxes and the sum set aside for depreciation, to be $626,000. These statements and all our accounts have been audited and approved by Messrs. West & Flint. This is a decrease from the figures shown for the previous year, but, on the other hand, we have paid $281,000 additional interest on the Adjustment Bonds for the current year, and there have been during the year very large expenditures for paving and other expenses caused by the heavy snow storms in February and March. Roughly speaking, those storms cost the Company upwards of $300,000 for the actual removal of snow and in loss of receipts.

The cash on hand amounts to $1,603,829.81, of which $746,882.93, together with 500 Third Avenue First Refunding Mortgage 4% Bonds, is in the Depreciation Fund; $531,117.81 is in the Fund for the payment of interest and taxes, and $325,829.07 is in the current account.

TAXES:

Under this head there is only to mention that the long litigation with that wretched body called the State Board of Tax Commissioners has been concluded, and the contention of the Company in respect to the franchise taxes has been finally upheld by the highest court of the state.

BUDGET:

The figures submitted on January 1st showed the necessity of an expenditure of upwards of $1,500,000.00. It is too early to undertake to submit an exact statement of what will be necessary during the year ending June 30, 1915, but it may be expected that a very large amount of money, more than enough to absorb all the net income, must be expended on the property, especially for pavements required by the City, particularly in the Bronx, where, as I have already said, the whole community is changing from a rural or suburban character to that of an urban district. The burden imposed upon the Company by these paving charges is very great, and it is a fair question whether, under the entirely changed conditions which are now prevailing in this City, the railways should not be relieved from at least part of the burdens imposed upon them when their charters were obtained.

The City authorities are not yet prepared to agree that legislation ought to be had which would relieve the Railway Companies of part of this burden, but they are considering the matter, and in time I think some relief may be hoped for. The City does not protect the railroad tracks as it should, from reckless use by trucks, automobiles, and all sorts of heavy traffic, and there is not among the owners of such vehicles the least attempt made to protect the railway pavements. On the contrary, during snow storms they use the railway tracks, which are alone perfectly clear, to the exclusion of the rest of the street which they might easily use, and I am bound to add that the worst offender in this particular is the Fifth Avenue Omnibus Company, which last winter used the tracks of this Company for a month without permit, apology or payment, and never even answered my suggestion to them that, as they were destroying our pavement, they should pay part of the cost of replacing it.

Finally, I think I should reiterate the views heretofore expressed that dividends should only be paid when the money is in the bank with which to pay them, and there is no prior claim upon it, and also that no additional bonds should be issued by the Company except for the acquisition of entirely new property, which will earn rather more than legal interest on the par value of the bonds issued to acquire it.

F. W. WHITRIDGE, *President.*

"A"

THIRD AVENUE RAILWAY SYSTEM CONSOLIDATED BALANCE SHEET

THIRD AVENUE RAILWAY COMPANY AND CONTROLLED COMPANIES

JUNE 30, 1914.

ASSETS

RAILROADS, PLANT AND EQUIPMENT		$81,325,645.37
SPECIAL DEPOSITS:		
Sinking Funds	$60,301.34	
With Comptroller, City of New York	83,562.35	
Other	1,366.52	145,230.21
CURRENT ASSETS:		
Cash—General	$856,946.88	
Cash on Deposit for Matured Interest	497,467.50	
Cash and Securities—Fund for Depreciation & Contingencies	1,152,981.04	
Accounts Receivable	239,042.28	
Material and Supplies	510,218.00	3,256,655.70
DEFERRED DEBIT ITEMS:		
Construction in Process	$329,381.71	
Insurance Premiums and Rents, Unexpired Proportion	51,941.47	
Unamortized Debt Discount and Expense	909,875.50	
Miscellaneous	148,249.78	1,439,448.46
Total		$86,166,979.74

LIABILITIES

CAPITAL STOCK:			
Third Avenue Railway Company, Stock		$16,590,000.00	
Stocks of Controlled Companies in Hands of Public		622,900.00	$17,212,900.00
FUNDED DEBT:			
Third Avenue Railway Company, Bonds		$47,506,000.00	
Bonds of Controlled Companies in Hands of Public		7,079,000.00	54,585,000.00
NOTES PAYABLE:			
Issued for Purchase of Securities			250,000.00
CURRENT LIABILITIES:			
Accounts Payable		$291,770.81	
Due Employees—For Wages and Deposits		50,602.53	
Interest Matured and Unpaid		519,257.49	
Interest Accrued, Not Due		672,467.46	
Taxes Accrued		442,437.46	1,976,535.75
DEFERRED CREDIT ITEMS			8,097.00
RESERVES:			
For Adjustments, Depreciation and Contingencies and Sinking Funds		$10,327,912.60	
Excess of Par Value over Cost of Controlled Companies' Securities Owned; less, Net Deficits of those Companies, relating prior to January 1, 1912—Deduct		99,491.33	10,228,421.27
SURPLUS:			
Balance at July 1, 1913	$1,349,450.93		
Less—Profit and Loss Charges	69,731.02	$1,279,719.91	
Net Income for the Year Ended June 30, 1914		626,305.81	1,906,025.72
Total			$86,166,979.74

(Continued on Page 420)

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NEW YORK, MONDAY, NOVEMBER 23, 1914

FINANCIAL history will busy itself some time with the apportionment of the fair measure of praise to each of the many who contributed to the monetary and banking reform which is embodied in the Federal Reserve Bank act, and that apportionment will probably have to be left to history—it could hardly be done by off-hand appraisal. Yet in any survey of the task which has been accomplished there are a few names which stand out prominently. Senator Aldrich's name still clings and no doubt always will cling to the draft of law which later came to be called the Commission bill after the Monetary Commission of which Senator Aldrich was Chairman. It was not deemed politically expedient for the framers of the subsequent bill, which in due course became the Federal Reserve act, to connect the two bills too closely, but in the Aldrich bill was laid the foundation of the Federal Reserve bill. The latter would hardly have been possible had it not been for the work which had been given to the preparation of the former. Senator Aldrich will always deserve a large share of the praise for the beneficial change which has been made in the country's banking and currency system.

TWO other names stand out prominently—those of Paul M. Warburg and Carter Glass. The work of these two men differed widely, but they both contributed a great deal to the soundness of the law as it was finally passed. Mr. Warburg's appointment to the Federal Reserve Board came as a recognition of the ability and earnestness with which he argued the need in this country of the discount system and of his special qualifications for participation in the regulation of the central banking institutions which last week were started auspiciously upon their careers. Mr. Glass, as Chairman of the House Committee on Banking and Currency, performed a service greater than that of any other member of Congress in guiding this legislation into safe channels. It was to the House rather than to the Senate that the country looked on that occasion for conservatism, and that came about very largely as a result of the stand which Mr. Glass constantly took against the extreme radicals of whom there were several on Mr. Glass's own committee. The Federal Reserve act is much sounder and much safer by reason of the work which Mr. Glass did. President Wilson in his turn did much to make possible the enactment of the bill which these men did so much to frame. Without the insistence of the President upon currency reform we might have entered this war period, which is bound to bring many readjustments, without the help of the improved banking system which is now at the country's service.

A TASK of high importance lies before President Wilson in the appointment of the members of the Federal Trade Commission. His selection of men for that body will be watched with the keenest interest, for it will be on the character of the men named as much as on the provisions of the law under which they will be appointed that the country will make up its mind concerning the influence which the commission will exert on business. Many frankly fear the application of the Trade Commission law on the ground that it will interfere with business to an extent which will check initiative and lessen enterprise. A meddlesome commission might well bring about just those results. A commission, on the other hand, broad-gauged enough to realize that business thrives best when its processes are interfered with as little as possible, a commission, in other words, contenting itself with preventing business abuses and leaving the direction of business to business men, may remove any ground for the misgivings with which many regard the possibility of "commission-run trade."

IT would be easy in this matter to draw a moral from the course which the Interstate Commerce Commission has pursued with the railroads. Regulation of the railroads in some very important matters did as much, if not more, for the railroads as it did for the public, but the constant craving of the commission for more power and the gradual realization of that craving, as constantly increased authority was bestowed upon the commission, obliterated in the minds of many of its members the clearly defined, although lightly, drawn line between regulation and management. It has been contended by the railroads in recent years, and in some respects justly, that public regulation of the railroads, not through the Federal Commission alone but through State Commissions and direct action by law as well, was becoming public management of the railroads—and that without public responsibility. The best way to avoid any tendency of that kind in the case of the Federal Trade Commission will be to name men who will realize clearly that it is no part of Government function to "manage" business.

THE railroads have had just ground for complaint and they are entitled to relief from the conditions which circumstances and many commissions have imposed upon them, but often by the manner if not by the substance of their complaint the thought is suggested that many railroad men even in these days have not frankly accepted the public policy of regulation. In theory it is not questioned at all, but in practice it has often not been welcomed to say the least. This attitude, easily enough explainable, has done not a little to cause the railroads to be brought more and more under the yoke. If railroad men had yielded more at the outset they might have had to yield less in the long run. But here again the personnel of the commissions has played a large part. Railroads were distrustful of the constant straining after more authority over them. Yet their resistance, instead of attaining its object, merely whetted the appetite of their regulators. It is not necessary that the railroads and their regulators should work at cross purposes, but have they not been doing so? President Wilson can perform a real service to the country in naming to the Trade Commission men who will be able to conserve the public interest by working with business rather than against business.

IF the Committee of Five of the New York Stock Exchange withheld its reasons for the abandonment overnight of its plan to open the Exchange for bond trading in the thought that it would thus avoid causing any uneasiness over its sudden change of front, it sadly missed the mark. Unless the banking community is much misinformed concerning the cause of this unfortunate episode in Stock Exchange affairs the committee could have given its reason without causing any market apprehension. As it was, the course pursued by the Stock Exchange in this matter seemed to be the one thing which put a damper on the bond market, which had been developing most satisfactorily. The influence of the incident no doubt will pass quickly, but it is most unfortunate that after three months of waiting the committee should have had to retrace overnight its first open step toward the resumption of free public trading in securities.

THE cure for militarism, in some minds, is more militarism. One is hearing it argued these days that if Great Britain had had a large standing army, had been prepared as Germany was and as the late Lord Roberts would have had England prepared, this war would not have come about. If only England had engaged on land as she did on sea in the endless struggle for supremacy in armament peace would have been secure! The only end to such a contest of armaments is the end to which this contest has come—war and destruction and appalling loss. Some of the economic losses which war entails are easily counted, some are elusive, but the real cost of the spectacle now being enacted in Europe is not to be measured in dollars, or in any unit of physical wealth. A large part of the loss is suffered before war begins in the preparation for war; a still larger part endures long after peace is restored. Peace would be worth the price of being prepared for war, would be worth it economically as well as socially, if peace could be had at any such price. But it cannot. Armaments are made for war, not for peace. They seek an opportunity to be used almost as water seeks its level. The argument that preparedness for war insures peace is false theoretically; and it has proved false practically.

OUR Paris cable reports this week the fact that French investors subscribed to a substantial amount of the British war loan. Our London cable records a reawakening of the English interest in American stocks. These are two straws which suggest that New York may have been worrying more than need be about the possibility of heavy foreign liquidation of our stocks and bonds. There are other facts also which indicate that fears on that score have been exaggerated. For several weeks we have had in New York a substantial market for bonds. Trading has been increasing and prices have advanced. For a still longer period there has been a market, not of normal yet of substantial proportions, for listed stocks. Nothing has been heard in either market of a flood of foreign orders, and yet if Europe were hard pressed to realize on its holdings of American securities would it pass over the market which has existed for our securities and patiently await the time when it could have its orders executed on the floor of the Stock Exchange? If the European Governments held our securities they doubtless would want to sell them as the easiest way to finance part of the cost of the war, but our securities are for the most part held by individual investors. They look at the matter differently.

Relevant Annotations

By The Onlooker

OUT of the dimness of a vast controversy in which many have lost their way and others have forgotten where they started, a few ideas begin definitely to emerge. They are, that the railroads for all their burden of original sin yet must live; that transportation is a commodity that must pay its way so long as private capital is required to produce it and which when that initiative fails will have to be produced by the Government, and that the question of keeping the railroads marginally solvent is immediate and highly practical. If necessary, theories will have to wait.

Three important expressions of those ideas occurred last week.

President Wilson said:

"The railroads of the country are almost as much affected, [by the war,] not so much because their business is curtailed as because their credit is called in question by doubt as to their earning capacity. There is no other interest so central to the business welfare of the country as this."

Charles A. Prouty, formerly member of the Interstate Commerce Commission and now in charge of the Government's work of physical railroad valuation, said:

"In the past this question has not been acute, for rates have been sufficient to maintain railroad credit; but it is evident that the time is near at hand, if it is not already here, when grave doubt exists as to whether these rates must not be generally increased."

And Judson C. Clement, of the Interstate Commerce Commission, said:

"It seems obvious that at no time since railway regulation has been attempted has the situation appealed so strongly as at present for co-operation in promoting uniformity in the application of the underlying principles of rate making and rate adjustment. Divergent and conflicting State policies which became the bases of State rate fabrics will continue to produce irritation and intolerable conditions of discrimination for which some remedy will have to be found."

It is very probably true, as Mr. Brandeis was the first to say and as railroad people themselves, led by Mr. Ripley, are beginning more and more to admit, that railroad income could be sufficiently increased by cooperation in service, by such elimination of wasted equipment mileage as might be gained through pooling traffic, by leveling unremunerative rates up, and by relieving the roads of the burdens of cross regulation, to the evils of which Mr. Clements points; but if now the question is so immediately pressing that there is not time to do any of these things and that rates will have to be raised in a horizontal manner, all the absurdities of the rate structure preserved, who shall bear the blame? The railroad people have been saying for five years that there was a living problem; others who only now are beginning to see it have maintained that there was no such problem; and that was the view of the Interstate Commerce Commission three years ago. Now, whether or not the problem existed must have been, for all who could understand statistics, a simple question of fact. It could have been proved by a few simple curves, which any efficient statistician had been able to plot. One would have expressed the rise in the cost of producing transportation, especially the wage cost. Another would have expressed the static selling price of transportation. A somewhat more difficult curve to construct would have been one to show the increasing ratio of capital expenditures in unproductive ways. Under that head one thinks first of magnificent stations. But they do not represent the greater part of unproductive capital expenditures. It is cheaper to pay damages for accidents at grade crossings than to elevate the tracks, but a railroad that offered to consider it in terms of profit and loss would be intolerable. It is cheaper to pay damages for an occasional wreck owing to rail breakage than to lay heavier and better rails. Recently an Eastern road made a calculation of the losses from rail failure and contrasted them with the cost of laying on one division a heavier rail of the highest quality, and the difference was over $1,000,000 a year. But the tracks must be elevated, and heavier rails that fail less and cost several dollars a ton more must be laid, though neither can improve earnings but do increase fixed charges. As more and more is required of railroads, in the public interest, the ratio of unproductive capital expenditure is bound to rise. All of which has been evident for years.

But nobody believed such curves as the railroads plotted them and nobody else plotted any, and so long as possible everybody tried to deny that there was a living railroad problem at all, until now, even those who have been for the railroads but against a horizontal increase of rates as a means of solving that problem must begin to admit that something may have to be done immediately. And there is only one thing that can be done to produce instant results. That is to increase rates.

A WALL STREET banker rashly said last week that the way to stop foreign liquidation was to mark prices down; if it continued, mark them down more, and repeat the dose until the selling ceased. And he was pitched into hard for saying such a thing. Fancy, marking down prices to stop selling! You might mark them down to zero, where you might be sure there would be no selling. All the same, there is much old-fashioned truth in what that banker said. He used a Wall Street phrase, saying "mark prices down," meaning only to let them take their course, and go as low as they would; and although nobody is willing in these days to consider so heroic a remedy, it is, in fact, infallible. Falling prices have never failed to stop liquidation; they ultimately reach a level on which nobody can afford any more to sell and nearly everybody can afford to buy. Only when there is open a very large and top-heavy speculative account, on margin, do falling prices produce the contrary effect, by exhausting margins and compelling liquidation; but that is soon over, and then every 1 per cent. deducted from the market price of good securities discourages selling and encourages buying. It is not to be recommended absolutely, nor perhaps at all, in the existing situation, not because it would be ineffective, but because the treatment would be too drastic. The banks, with hundreds of millions of dollars loaned on Stock Exchange collateral, would fear it most. And yet, it is a good thing to remember, when the question whether or not the Stock Exchange should be reopened is in the balance, and the rumor of some foreign liquidation that had not been counted upon throws every one into a fever of new alarm.

IF it were not for the necessity, fancied or real, of protecting bank loans and the reserves of savings banks, trust companies, insurance companies, and other financial institutions from the temporary shrinkage, not in actual values but in apparent values, that might occur if prices were allowed to take their course on the Stock Exchange, wide open, the notion of beginning to trade again on a minimum price range, that is, with a level of prices fixed beforehand below which transactions would be forbidden, would contain an obvious absurdity. The thing feared, of course, is the foreign selling. Well, the minimum price arrangement would be merely to say to the foreign seller:

"You cannot sell us things too cheap. We will not allow it. If you want to sell us gilt-edged 4s, you must sell them to us at 90. We will not take them at 85. That would be too cheap. We can perhaps afford to buy them at 90; but we could not afford to buy them at 85 or 80."

We simply haven't the courage to take advantage of the foreigner's necessity. If the gilt-edged 4s are worth 90, they are a bargain at 85, and a greater bargain at 80, or the opportunity of a lifetime at 70, but so accustomed are we to mistake quotations for value, that we think we couldn't bear to see them at 70. That would invalidate one's loans at the banks and make some savings banks look insolvent, and so on, not because anything whatsoever of value had been destroyed but because the quotation had fallen. It is altogether absurd to think of the principal value of a good bond as fluctuating at all. If it is a good bond, its principal value no more fluctuates than that of a real estate mortgage. The rate of interest rises and falls; that is all that happens. A man who has bought on a 4 per cent. basis may have to sell on a 5 per cent. basis, but that is no sign, or ought not to be, that the bond itself is not worth as much as before, provided the issuing corporation is able to redeem it at par when it comes due. If all we feared from foreign liquidation was that the rate of interest on bonds would temporarily rise to 7 or 8 per cent., nobody would worry at all; on the contrary everybody who could would be there with money to buy, and then, of course, the rate of interest would not rise to 7 or 8 per cent. Bonds ought to be quoted not in dollars or in per cent. of face value; but to yield a rate of interest.

HENRY FORD, when he introduced his profit-sharing scheme, was asked if he intended to discriminate against foreign labor. He answered in the negative and asked why anybody should think of his doing so. He was reminded of the way of the foreigner to come here and work for high wages until he has saved a lot of money, and then to go back to the old country to enjoy it. "All right," said Mr. Ford. "Suppose he does. He finds a piece of rocky ground in Italy, clears it off, builds a house, and lives upon the proceeds of the labor we have bought from him. Isn't that good use to make of money?"

If the citizen is willing to do the work the foreigner does, or to do without it, well and good, and let him say so. But when he isn't, and does bring the foreigner in to do that work when it needs to be done, let him not, in a time of depression set up the cry that it is somehow easier for alien labor than for citizen labor to go hungry.

Onlooker

Allies or Competitors?

Which Are the Federal Reserve Banks to Be?—Bankers Are Asking Themselves That Question with Keen Interest—The Query Answered on the Strength of Probabilities

ARE the Federal Reserve Banks to be allies or competitors of the member banks? The question has vital interest for all the member banks, and not for them alone, for if these central institutions are to be competitors the effect will be felt not only by the banks within the system but by all State banking institutions as well.

Bankers who have followed the drift of sentiment among their colleagues will know that the feeling exists in a good many quarters that the national banks in accepting the terms of the Federal Reserve act, in contributing capital to the new Reserve Banks, and in placing a large part of their reserves with these central institutions, set up powerful competitors which will soon make their power felt to the disadvantage of the member banks and of all other banking institutions. This sentiment exists in influential banking quarters in New York; it is not absent among bankers in other parts of the country.

DEALERS IN CREDITS

Banks are dealers in money—in credits. They buy money from their depositors and sell it to their borrowers. Their profit lies in selling credit enough above the rate they pay for it to cover expenses and leave something over. All classes of banks and trust companies pay interest on part of their deposits. The individual exceptions to the rule are rare. Banks—using the word to describe all institutions which receive deposits subject to check—do not pay for all their deposits by the allowance of interest, but they do pay for them all in service of some kind, or in interest, or both. They have, in short, to buy their money just as a storekeeper buys his merchandise. And a bank must sell money for more than it pays for it or it cannot maintain itself.

Contrast the position of the member banks or of other individual banks with the position of the Federal Reserve Banks. Their deposits come without solicitation under the mandate of law and they hold them without the payment of interest under mandate of law. They occupy in this respect a highly favored position. Their deposits cost something, it is true, for to receive and hold them requires an organization and facilities which cannot be maintained without expense, but the cost is very small compared with what the member banks have to pay for their deposits.

CHANCE TO UNDERSELL

The Federal Reserve Banks, therefore, are in the position of a man who has had his stock in trade given to him. If he chose to he could undersell all other merchants. The question is, will the Federal Reserve Banks want to? Or, if we assume that their activities in such matters will be governed fully by the Federal Reserve Board, will that body allow it?

Many bankers are today putting that question to themselves—putting it in all cases with interest and in some with no little apprehension for fear they have been made to donate wares to a competitor who may turn around and undersell them to the point of extinguishing profit.

That distinctly is a possibility, but this article is not designed to deal with mere possibilities. It attempts rather to deal with probabilities. And what are the probabilities in this matter?

Manufacturing and trade in the United States have developed wonderfully. Their growth would be marvelous but for the known productive capacity of a nation as great as this, working on natural resources which are still far from their maximum possible development. But the progress that has been made was made under the handicap of a banking system which was safe, which was responsive enough to the demands upon it to show constant and vigorous growth, but which none the less lacked some highly important qualities.

THE OLD SYSTEM

Its reserves were scattered; its system of redeposited bank balances was faulty; its currency was brutally safe, but inelastic. Its secondary reserve being based on loans on securities instead of on paper arising out of trade, linked trade to an untoward extent with the vicissitude of the security market, and in turn linked the fortunes of the security market with the ebb and flow of the trade demand for credit. And a crowning fault was the fact that the system gave no convertibility to banking assets. The loans from city banks to country banks served the purpose only partially, and custom barred borrowing by banks in the country's financial centre. And borrowing, however useful in itself, is not rediscounting—there was no system of rediscount.

Under these conditions trade lacked that feeling of complete security, so far as credit facilities are concerned, which is so valuable a reliance in business. That and the lack of certain important facilities in the credit market slackened the pace of trade to some extent at home, and to a larger extent abroad.

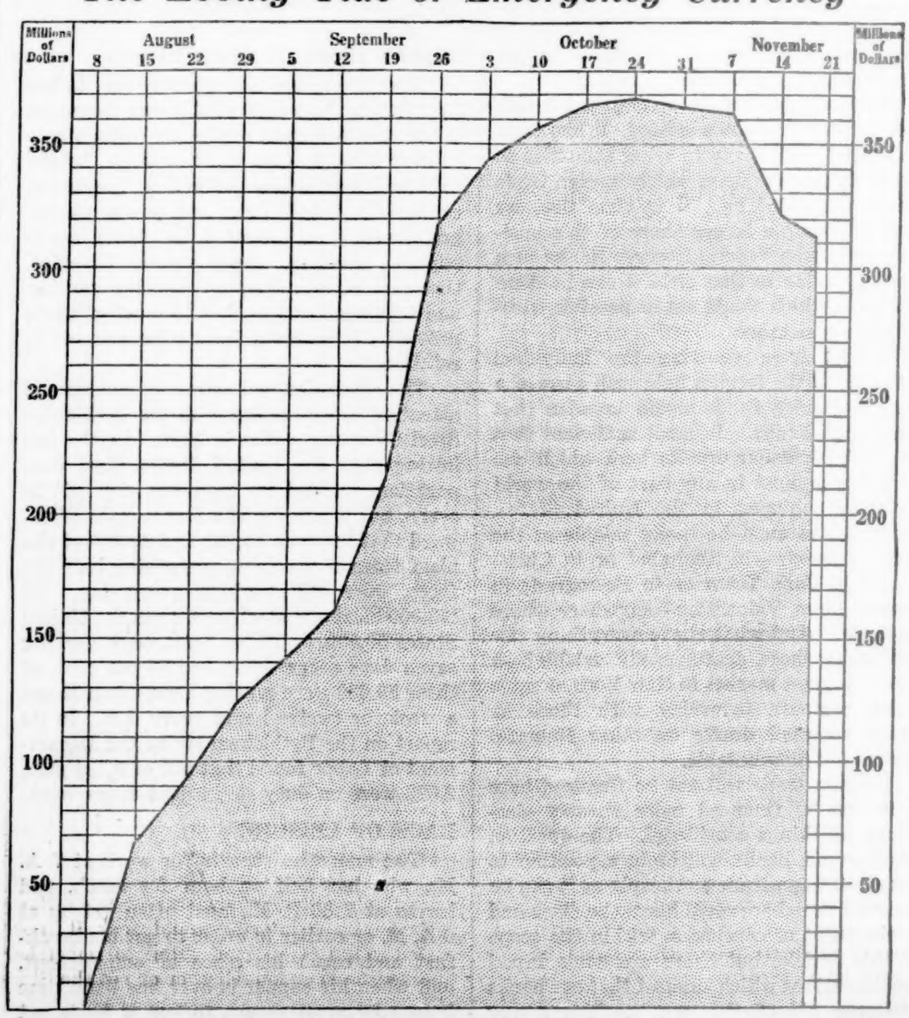
These deficiencies have now been supplied. We are to have an elastic currency system, albeit it will take time to supplant the old by the new; we are to have a rediscount market and a system of centralized reserves.

Improved facilities will bring enlarged opportunities. There will be more trade to be done and a wider field will be opened to American enterprises. And this brings us squarely to the answer to the question, Will the Reserve Banks be allies or competitors of the member banks? They will be allies, and allies of the most valuable sort. So far as their resources will be used for other purposes than filling the rediscount and currency needs of their own members the Federal Reserve Banks will in all probability engage chiefly in fields in which the member banks or other individual banking institutions are not engaged to any large extent. Trade begets trade, and any new field that is entered enlarges the opportunities in other fields. In such a role the Reserve Banks, far from decreasing the opportunities of the member banks, will increase them.

A CHANCE TO HELP

Wherein specifically can the Reserve Banks find employment for their resources in channels in which they will help the member banks instead of interfering with them? There are other directions in which they could do that, but one in which they surely could do it is in the financing of foreign trade, and in the creation of a broad

The Ebbing Tide of Emergency Currency



—as measured by the amount of miscellaneous securities held by the Treasury to secure circulation, and reported in the daily Treasury statement.

market for American bank acceptances. These are a recent addition to the category of paper with which this market is familiar. They have yet to make their way, but their way seems assured. The high favor in which the little of this sort of paper already on the market is held shows that very clearly. And in financing foreign trade the Federal Reserve Banks will be competing with foreign banks rather than with our own. That is a field which has been left almost exclusively to the financial centres of Europe —chiefly, of course, to London.

That is a condition which would have been modified to some extent through the establishment of the Federal Reserve Bank system in the United States without regard to other events. The untoward events which are now so greatly limiting Europe's financial activities by the same token increase the need of and the opportunity for American participation in the financing of trade abroad to a much larger extent than in the past. Here is a broad field and practically a new one.

A NEW FIELD

What better use could the surplus funds of the Federal Reserve Banks be put to than the purchase of acceptances of its member banks or of other institutions in high standing? There is indeed no use to which they are so likely to be put if one looks at the matter from the point of view of the new opportunities which are opened up by the changes which have been made in the banking laws. Particularly is this true of the Federal Reserve Bank of New York, but in varying degree the chance of engaging in this business will be open to all the Reserve Banks.

This form of investment for the funds of the Reserve Banks is particularly appropriate inasmuch as both the national bank laws and the banking laws of New York State authorize these bank acceptances. It hardly needs to be argued that such use of its surplus funds by a Reserve Bank would help instead of harm its members or the other banks of the country.

The banks have not been engaged in this business, for it has not existed. It has been left almost exclusively to other countries to supply the credits upon which foreign trade has been carried on. It is time that we should take up a larger share of this business, and if the Federal Reserve Banks turn their attention to that field it can be done on a scale which would not be possible without their assistance.

So far from shutting the individual banks out of the foreign field such a use of a Reserve Bank's funds would broaden that field for all banks. It is not sufficient that we establish dollar credits here which can be drawn against in any part of the world for goods shipped to the United States. Those drafts must be easily salable at the point of origin—in Shanghai or in Christiania; in Cape Town or in Petrograd; in Buenos Aires, Valparaiso—anywhere where we trade. And what above everything else will make those drafts easily salable?—a ready discount market in New York at rates which compare favorably with those at which accepted drafts on other financial centres are discountable.

Foreign trade will not be financed here if it can be financed more cheaply elsewhere, all things considered. The question whether our banks will be in a position to finance foreign trade as cheaply as it can be financed elsewhere could hardly be discussed to the point of conclusion within the scope of this article, but there are some broad considerations which suggest that our banks with the aid of the new machinery now placed at their disposal will be able to do so.

Abolishing the "Tired Hour"

Seven-Day Work and Excessive Hours Are Being Found Unprofitable, and "Mere Business" Is Joining Hands with Those Who on Other Grounds Are Advocating Easier Conditions of Labor

THE twelve-hour day and the seven-day week in American industries are passing out—albeit slowly. What agitation and laws alone failed to bring is coming about in the natural course of economic progress. Some already feel it safe to predict that within a few years the man who works regularly more than ten hours out of the twenty-four, or more than six days out of seven, will do so against the judgment of his employer, as typified by the very corporations that have required continuous employment in the past. The time is not far distant, one is hearing it said now, when employers will not only allow their men and women one day off in every seven, but will demand that it be taken.

A distinction should be drawn between those who work stated periods without sufficient time for rest and recreation, and the larger class who work part of every day in the week. In the latter group are barbers, newsdealers, waiters, doctors, dentists, small retail merchants, farmers, police, firemen, domestic servants, and many others who either are not engaged in continuous labor, or who have leisure in odd hours. In many cases the hours served by such people are self-imposed, and, presumably, are not considered a hardship. The other class consists of those employed in trades or callings that do not permit of a day of idleness, except as substitutes are employed for those relieved.

WHERE WORK IS CONTINUOUS

The American Association for Labor Legislation finds that continuous operation is the rule in cement and paper mills, street railway service, steel and iron mills, hotels, bakeries, beet sugar refineries, breweries, canneries, electric light and power plants, gas works, glass factories, ice plants, newspapers, smelters, drug stores, libraries, theatres, street cleaning, delivery service, and telephone offices, but in most of these provision is made for letting the men off in rotation.

The seven-day evil attracted widespread attention in connection with the Bethlehem Steel Company strike in 1910. In the following year the United States Steel Corporation granted its men one day off in seven, but it was found a few months afterward that between 15,000 and 20,000 of the blast furnace workers, comprising half the force, were still working every day. Of 173,000 blast and steel workers in the United States 50,000, or 29 per cent., were working seven days every week, and 20 per cent. of these 50,000 were serving eighty-four hours a week, or twelve hours every day. In its report on the Bethlehem strike the Department of Labor found that out of 9,184 men, 2,628 were on duty seven days every week.

LACK OF LEISURE

The man who reports for work at 7 A. M., who has half an hour for lunch, and leaves at 7:30 P. M., must often get up at 6 A. M. or earlier in order to get his breakfast and reach his place of employment, and when his supper is over has little time before he must return to bed if he is get the rest that is needed. Practically his entire life is absorbed by his work. To make his condition still less comfortable, he is often worked alternately in the day and night shifts, so that every fortnight he has to work twenty-four hours at a stretch and then form new habits of sleep. Apathy is the natural result of such conditions of work.

There are two arguments often repeated against giving these men a day off. The first is that the day would be used for a drunken debauch, making the men worthless for the day following, and the second is that laborers themselves want continuous employment in order to make the extra day's wage. These objections were marshaled before a Government investigator who spent months inquiring into labor troubles. This was his comment on them:

"I have been hearing those from the day that we awoke to the evil of seven-day work and there is no merit in either of them. A single day off, when it has been forced on a plant by a breakdown or strike, has brought drunkenness because the men got their first taste of freedom, and started out to celebrate. Where the day has been given regularly they have learned to make proper use of it. As for the desire of these laborers to spend all of their waking hours in gloomy mills, I have never found any of them that did not want their day off if they could make a living in the other six."

REDUCING HOURS

The Department of Labor keeps no general record of the number of men working seven days in the week, and has only investigated conditions in certain industries, but in these the tendency in the past five years has been toward a reduction in hours without loss in pay. Two States, Massachusetts and New York, have adopted laws, alleged to be ineffective, against required seven-day labor, and hours-of-service laws have eased conditions in the railroad field. As late as June 30, 1913, however, the Interstate Commerce Commission reported for the year 261,332 cases in which men worked continuously more than sixteen hours. In New York 35,742 trade union members, or 20 per cent. of those who answered an inquiry, reported that they worked regularly every day in the week.

Abolition of this custom is coming about gradually because it is being demonstrated that there is no profit in what Secretary Redfield of the Department of Commerce calls "the tired hour." It has been proved in several lines of work that better results are achieved in six days than in seven, and in eight or nine hours than in ten. The human machine is repaired when at rest, and quickly becomes inefficient when rest is denied.

THE POISON OF FATIGUE

A manufacturer who began to experiment with shorter hours finally came down to the eight-hour day, with every seventh day off, without increasing his unit production costs. When he thought the matter over he came to the conclusion that the tired man is partially poisoned through the accumulation of waste matter, and he decided that he did not want poisoned men working for him. Then he went further and drew up this creed:

"I cannot use at a profit an employe with a headache, a toothache, or with outside troubles that weight on his mind. I cannot even get the best results out of a man who has left home without a good

breakfast. I will give employes ample time for rest and recreation."

It was such an employer, with 6,000 names on his payrolls, who took an hour from the working day without subtracting it from the pay envelopes, who found to his surprise that he continued to compete on even terms in the matter of cost price with other manufacturers in his field who worked nine hours. In practice it has been found in some lines of production that the net output of a plant running eight hours is likely to be as large as for the same plant running regularly nine hours. A Federal investigator had this theory vividly impressed upon him when he was sent to Colorado to look into complaints made by men employed by the Government in reclamation work.

Although there was no emergency calling for the rapid completion of this work, the United States Government engineers were driving the construction gangs seven days in the week. Not far distant another section of the same work was being handled by a private contractor who had bid for it, and who had to figure more closely than the Government. The investigator heard that the private contractor shut down every Sunday and went over to ask about it.

TOO COSTLY

"I can't afford seven-day work," said the contractor. "It may be all right for the Government, but I am out to make money, and I have to look out for my costs. I learned a long time ago that it is cheaper to rest my men and horses on Sunday than it is to use them. It is not sentiment with me—just business."

So it is "just business" which is coming to be regarded as the strongest argument against excessive hours of labor and against the seven-day work week. The argument that commands immediate attention is that fatigued men cannot be worked at a profit.

First Reserve System Statement

THE first consolidated statement of the Federal Reserve system was made public by the Federal Reserve Board on Saturday. It shows, as nearly as the available figures will permit, the condition of the twelve Federal Reserve Banks at the close of business last Friday. The statement follows:

Cash on hand—	
Gold coin and certificates	$203,415,000
Legal tender, silver certificates, and subsidiary coin	37,308,000
Total	$240,723,000
Rediscounts	5,607,000
All other assets	95,000
Total	$246,425,000
Capital paid in	$18,072,000
Reserve deposits	227,138,000
Federal Reserve notes in circulation	1,215,000
Total	$246,425,000

Gold reserve against all liabilities, 89 per cent.

Cash reserve against all liabilities after setting aside 40 per cent. gold reserve against Federal Reserve notes in circulation, 105 per cent.

Statement of the New York Federal Reserve Bank, as of the same day, shows discounts of $3,023,500, cash holdings of $108,314,674, net deposits $107,529,994, circulation $224,875, and capital paid in by member banks $3,321,950. Chicago statement shows: Loans and discounts, $1,130,522.72; total reserve, $41,142,369.96. The Richmond Bank's statement shows resources of $7,869,711.07, and the Atlanta Bank $3,860,584.16.

Rand Gold Output

Output of Rand gold mines in October was 733,000 fine ounces, comparing as follows:

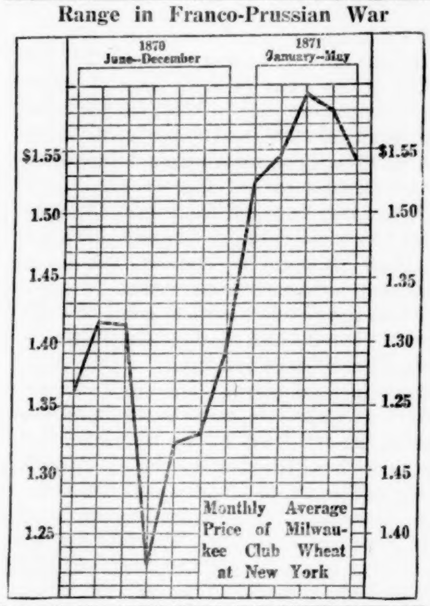
	1914.	1913.	1912.	1911.
January	651,000	789,000	737,000	651,000
February	626,000	734,000	703,000	610,000
March	686,000	790,000	830,000	676,000
April	684,000	784,000	737,000	667,000
May	720,000	794,000	779,000	685,000
June	717,000	747,000	753,000	684,000
July	732,000	655,000	766,000	709,000
August	711,000	728,000	764,000	713,000
September	702,000	706,000	747,000	700,000
October	733,000	718,000	768,000	708,000
November	....	673,000	757,000	719,000
December	....	672,000	776,000	709,000

War-Time Wheat Markets

Trend of Prices in the Early Weeks of the Franco-Prussian and Present Wars Show Marked Contrast

THE course of wheat prices during the opening weeks of the present war and in a corresponding period of the Franco-Prussian war differ decidedly. When war broke out in July, 1870, the trend of prices was downward, but the opening of hostilities resulted immediately in a sharp rise, amounting in the two weeks following to about 20 cents a bushel for No. 1 Spring wheat at Chicago. The next week there was a considerable reaction, followed by another jump to the second highest point touched in the period. This, in turn, was followed by a slump lasting for a number of weeks and which carried prices about 40 cents a bushel under the high point touched in the second week of the war. Another recovery lasting several weeks followed, when prices again fell off, and at the end of the first seventeen weeks of war they were about 10 cents a bushel below their level at the time the war started. Taken as a whole, the trend during the period was downward.

Range in Franco-Prussian War

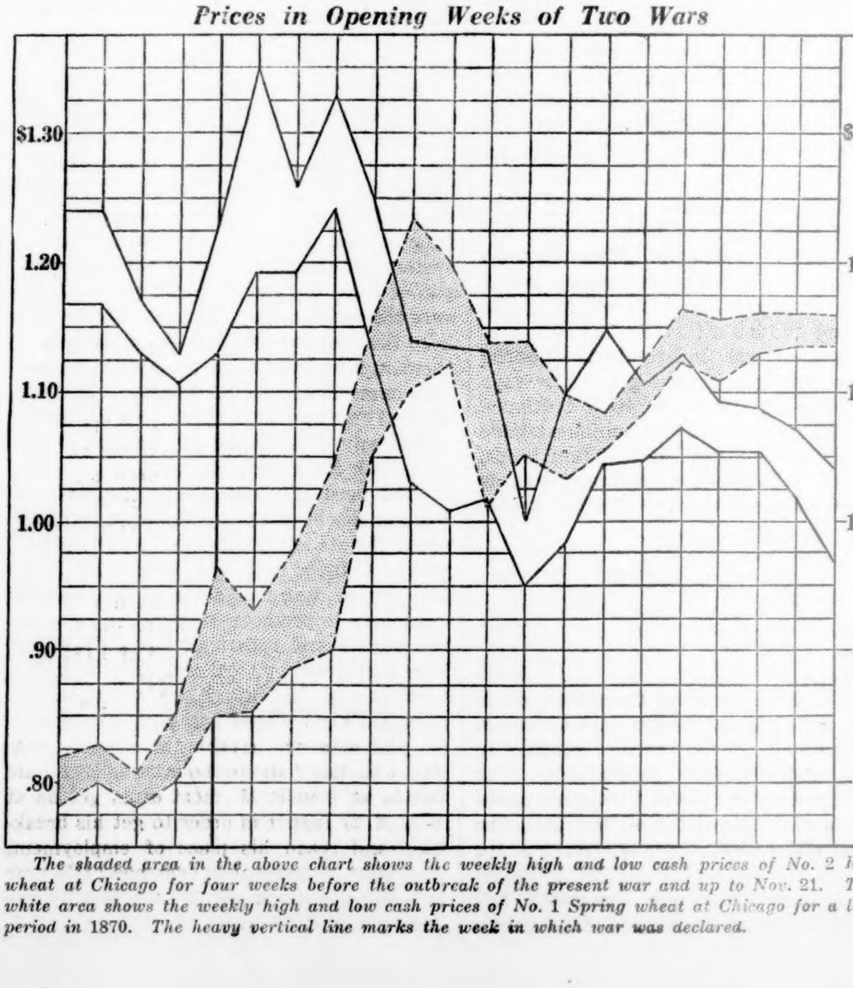


In the present war period, considered as a whole, prices show an exactly opposite trend. Already tending upward when war broke out, prices advanced rapidly and with only one slight interruption during the next six weeks. The rise culminated in the week of Sept. 5, when the price of No. 2 Red wheat, cash, at Chicago was about 40 cents a bushel above the level in the week before war was declared. The reaction which followed was not nearly so severe as the corresponding one in 1870, nor did it last so long. In fact, prices turned upward again almost immediately and have climbed steadily since then, so that they are now comparatively little below their high.

Probably the difference in trend is largely due to the fact that the export demand in 1870 did not attain anything like the same proportions that it reached this time. In its report at the end of the year, the Chicago Board of Trade said that "the export demand has been fair during a portion of the year," while during the present war export trade has been the dominating factor in our grain markets.

An interesting feature of grain prices during the Franco-Prussian war is that they did not reach their highest point until some months after the war started—indeed, it was not until the struggle was almost over that they did so. The small accompanying chart shows the rise in the first month of war, the sharp decline in the two following months and the rapid and uninterrupted increase in price in succeeding months, culminating in the early part of March, 1871, just as peace was restored.

Prices in Opening Weeks of Two Wars



The shaded area in the above chart shows the weekly high and low cash prices of No. 2 Red wheat at Chicago for four weeks before the outbreak of the present war and up to Nov. 21. The white area shows the weekly high and low cash prices of No. 1 Spring wheat at Chicago for a like period in 1870. The heavy vertical line marks the week in which war was declared.

Why Steel Wages Are Not Cut

The Employer Feels the Effect of a Reduction in Wages as Well as the Employe — It Affects the Efficiency of an Organization and Adds to Running Costs in Other Ways

THE one subject that steel manufacturers dislike to discuss just now more than any other of their affairs is the possible liquidation of labor, in other words, reduction in wages. Export business has been greatly impaired by the war, domestic buying is at a low level, and in the effort to seek economies steelmakers perceive that much could be done by lowering the pay of their men; but they say this step will be the last one taken to bring a higher margin of profit from the output of the mills.

JANUARY SCALE

Next January the Steel Corporation arranges with its men the scale of wages to be paid during the ensuing year. This would be the natural time for putting into effect any retrenchment that the officials might have in view. Several of the independent concerns which pay the same as the corporation are waiting to learn what this largest single employer in the steel and iron field intends to do.

There are prominent steelmakers who believe that wages should be reduced; they maintain that capital invested in the industry is entitled to a better return than it is receiving at present, and that labor, which has fared well in recent years, should be made to contribute more to interest and dividends than is now the case. But these employers state frankly that wage cuts are too disturbing both to the employes and the industry to be considered except as a last resort. If business would give signs of picking up, they say, the thought of reductions would be immediately abandoned. So they hope that orders will increase before Jan. 1, and, with this hope in mind, a number of prominent manufacturers gave replies to inquiries last week which indicated that the Steel Corporation's scale was expected to be maintained for 1915 on the 1914 basis.

THE RISE IN WAGES

Since 1909 wages of steel workers the country over have had yearly increases. In 1908 there was a decline from the level of the preceding year, an after-effect of the panic, and in 1909 a further reduction was made by several independent concerns which tended to bring the general average down, although the Corporation continued on the former basis. The subjoined table shows the increases of the past four years, as applied to laborers whose wage scale is the basis on which the pay of other classes of labor is built:

	Ave. Rate Per Hour.	Ave. Full Time Hours Per Week.	Average Weekly Wage.
1910	$0.158	74.5	$11.69
1911	.161	73.2	11.78
1912	.162	74.4	12.10
1913	.195	74.4	14.50

The figures are taken from the records of the United States Department of Labor, and denote the average pay of laborers in nine departments of the steel industry. For earlier years it was found impossible to obtain accurate figures for all branches, the Government investigators stated, but for the three or four reported upon, including blast furnaces, Bessemer converters, and bar mills, these average wages for laborers were found: 1907, 15.1 cents per hour; 1908, 14.7 cents; 1909, 14.5 cents. The average weekly earnings of all workmen at blast furnaces in 1912 were 7.3 per cent. higher than in 1908, 8.2 per cent. in excess of 1909, and 0.6 per cent. lower than in 1911. Weekly incomes of laborers in the Bessemer converting department in 1912 were 4.5 per cent. higher than in 1907, 14 per cent. greater than in 1908, 7.2 per cent. higher than in 1909, 2.6 per cent. higher than in 1910, and 7.5 per cent. above the pay in 1911.

IN BAR MILLS

In bar mills the men received 2.4 per cent. less per week in 1912 than in 1907, 8.7 per cent. more than in 1908, 6.3 per cent. more than in 1909, and 1 per cent. more than in 1911. The most recent tabulations of the Department of Labor ended with 1912, and therefore did not record the substantial increase voted in January, 1913, by the Steel Corporation and by the more prominent independent concerns.

From the purely practical point of view there are two decided reasons why steel employers avoid wage reductions except as a measure of final resort. The profitable operation of plants depends in no small degree on the efficiency of the workmen, and experience has proved that a certain amount of the efficiency of labor is lost when the men are required to work for less pay than they had been receiving. The loss applies not only to the output of the mills, but also to plant deterioration. In periods when work is conducted on a full "turn" scale, with the complete force of employes on duty, tools, machinery and buildings are kept in a good state of repair by the men as they pursue their daily tasks. It is a matter of record that an idle plant depreciates much faster than one working at normal capacity; and, by the same token, a plant being operated by employes who are dissatisfied with conditions and inclined to skimp their work in place of doing their best tends to run down.

ORGANIZATION IMPAIRMENT

Again, a plant organization stands in danger of being partially disrupted by desertions from the ranks when wages shrink. The men drift away to jobs which yield a better return, or give promise of higher wages than seem likely to come for some time in their old places. A smooth-running system can be maintained, as the steel companies have learned in these times of severe competition, only under conditions that keep the men content, and, in addition, give them an incentive to give their strength and skill unreservedly to the company. And the highest organization efficiency can be maintained only through the employment of the same men for a series of years.

The need of a non-fluctuating staff of workers has been a prime factor in bringing about the steady advances of wages in late years. Coupled with it, of course, has been the sincere desire of some of the leading employers to promote co-operation between the buyers and sellers of labor. Millions have been spent by steel companies to guard their men against injury and to provide for their old age. There has been an element of philanthropy in this movement, but sound business sense has overshadowed all the other elements. The employers have striven to hold their men by considerate treatment, and it is believed by the largest employers of labor that efforts to this end in other directions would be offset by reducing wages.

OPTION TRADING AGAIN

South Was Glad to See the Cotton Exchanges Reopen to Help Save It from Something Worse Than an Option Market — No Market at All

Special Correspondence of The Annalist

NEW ORLEANS, Nov. 19.

REOPENING of the New Orleans Cotton Exchange on Monday of this week will not only be of great benefit to the industry as a stabilizing influence, but it marks a new era in the history of the New Orleans market. Heretofore New York and Liverpool have dominated New Orleans to a large extent; but under the Smith-Lever act, which makes middling the basis grade of the future contract, this situation, it is felt here, will be reversed. New York, being a greater speculative market than New Orleans, is more keenly affected by the restrictions of the new law, which practically coincides with the rules of the New Orleans Cotton Exchange.

COST OF POSTPONEMENT

There is a difference of opinion as to whether the closing of the New Orleans Exchange was a wise procedure, particularly in view of the fact that there was not an immediate liquidation of contracts. The postponement of this liquidation took a toll which will not soon be forgotten. Margins were covered in two installments, one of 200 points and the other of 100 points.

The Ring recovered from the drop of 300 points without the assistance of outsiders. The Liverpool Exchange was extended a helping hand by the British Government, and that of New York was assisted by a banking syndicate; but the New Orleans men weather the shock of this world war with their own cash, covering the margins on all contracts.

Obviously, the immediate effect of this resumption in the trading in futures is to make cotton a more liquid asset. Whatever the fluctuations may be, whether upward or downward, the producer will at least have the barometer of the option market to guide him from now on. The New Orleans Cotton Exchange is an important factor in this for the reason that it is in close contact and sympathy with the producing area. The facility for direct trading will be greatly increased when the new warehouse and terminal plant is in operation, and New Orleans not only expects to regain her former position as the premier cotton port, but to a large extent to exercise dominion over other markets.

THE OPTION PREJUDICE

For many years there has been a prejudice against trading in futures, but shortly after the New Orleans Exchange closed local brokers were flooded with letters from their country customers, protesting bitterly against this proceeding. Texas, the largest producing State, is susceptible to the impress of the New Orleans Exchange, and in spite of the sentiment that prevails in certain quarters against trading in futures there was an insistent demand from that State for the reopening of the Exchange.

An authority on the broader aspects of the cotton situation said with reference to the resumption of trading in futures:

"A market for future contracts is essential to the cotton trade of the world. Without it the movement halts and every correlative branch of the producing, handling, and manufacturing industries is affected. From the raw cotton to the finished product every interest needs the protecting power of the future contract. Deprive them of that protection and trade necessarily suffers.

"At a time when the new crop was maturing and harvesting was going forward rapidly, there was no open market for the staple, and, consequently, no stable price. Texas was offering at less than 7 cents, basis middling, and Georgia at 8 cents, while other States made no attempt to forestall the views of possible buyers, but there were no buyers.

"As a broad proposition, there could be no considerable movement in spot cotton until the market for hedges was rehabilitated, and buyers, exporters, and spinners placed in a position to insure their operations against possible losses entailed by fluctuating prices. It followed as a natural sequence, therefore, that until the future contract market was re-established upon the basis of current values the South would continue to hold its cotton, willy-nilly, while foreign mills were running almost exclusively at the expense of reserve stocks, and American mills replenishing upon a scale reduced to the meager limits of pressing current requirements."

Foreign Correspondence

AMERICAN securities came into better demand last week in the London market, which was also heartened in respect to its own issues by the success of the $1,750,000,000 war loan, which was oversubscribed, and which at the week end commanded a small premium. The subscriptions are said to have been entirely from investors. The reopening of the Stock Exchange is being discussed, but no conclusion has been reached. Labor conditions in Great Britain are steadily improving. The postponement of the proposed opening of the Stock Exchange here for bond trading had an adverse effect upon market sentiment in Paris. Efforts to reopen the Bourse there are still unavailing.

BOURSE PLAN WAITS

No Success Has Attended Effort to Resume Trading in Paris — French Subscribe to British War Loan

By Cable to The Annalist

PARIS, Nov. 21.

THE widespread effort which has been under way to reopen the Bourse is still unavailing. Sentiment has become rather more depressed since Wall Street renounced the plan to resume trading next week. Prices on the provincial Bourses are fluctuating, but the prevailing tendency is downward. This is particularly the case with the shares of banks with South American and Turkish interests.

Some French houses have London balances now due and several operators are trying to unload in the London market. This is reflected in the excessive weakness of the London cheque rate. This stands barely above 25 francs, despite good French purchases of the English national loan.

WAR LOAN TAKEN

Issue of £350,000,000 Oversubscribed and Now Commands a Premium—Demand for Americans Revives in London

By Cable to The Annalist

LONDON, Nov. 21.

THE £350,000,000 war loan was the event of the week. The first £100,000,000 was taken by banks and other institutions. Regarding the remaining £250,000,000, which was available for public subscription, the wildest rumors have been current, but it can now be stated confidently that the amount has been more than subscribed. No official statement, however, will be made yet. The Bank's officials will work all day Sunday to overtake the work of sorting applications.

The offering made a strong patriotic appeal to the small investor. There were practically no speculative applications because the Stock Exchange is closed. Already a small but real premium has been established for the issue.

The Stock Exchange settlement is well over, and as a result sentiment is optimistic. The feature of the week's dealings was revived interest in American shares due to encouraging cables from your side. The Stock Exchange Committee met on Friday. No announcement concerning its deliberations was made, but it is believed the question of a restricted reopening was seriously discussed for the first time. This cannot take place without the Treasury's approval. Military events are believed to have taken definitely a more favorable turn, which may hasten events on the Stock Exchange, but actual reopening seems unlikely this year under present circumstances.

The success of the war loan has reassured holders of all gilt-edged stocks. Confirming the impression regarding labor conditions previously cabled, the official figures for October show unemployment in trade unions amounted to 40 per thousand members, against 59 in September and 71 in August.

NEW MORATORIUM

Terms of Debt Postponement in France as Recently Modified by a New Decree Which Aroused Much Opposition

Special Correspondence of The Annalist

PARIS, Nov. 1.

MR. RIBOT a few days ago presented France with a novel idea of moratorium, a substantial modification of the previous forms and none too comprehensible one. "It seems as if, finding too many intelligible traits in the existing muddle, Mr. Ribot laid himself out to provide us with additional instructions which shall absolutely blot out all the working possibilities of the moratorium." That is how a leading banker summarized for THE ANNALIST the financial community's appreciation of the new decree.

On all previous occasions—that is, on Aug. 9 and 29, and on Sept. 27, the prorogations were granted for one month or less. Now, for the first time, the extension covers up to Dec. 31, or two complete months. Apparently the Government realizes that the trouble as it exists cannot be mended in a shorter period.

Bankers have to release from today 1,000 francs plus 40 per cent. of pre-war deposits and an additional 10 per cent. thereof on Dec. 1. As explained in a previous letter, most institutions voluntarily consented to a 40 per cent. withdrawal of deposits as soon as the new National Defence Bonds were put on the market, so that no apprehensions are entertained as to this new task set on the banks. How they will face the 10 per cent. supplement in December will remain an open question till then. The decree betrays the Government's own doubts on the subject, as in its exposition the following comment occurs:

"Should any institution find itself unable to satisfy the obligations arising from this decree, a procedure would be devised by us in order to offer every guarantee to the interests at stake."

The climax comes in the new provisions regarding commercial bills, the due-date of which had been simply put forward by the preceding moratoria. Now the prorogation is qualified as follows:

> Due-date is remanded to end of December for all debts contracted before Aug. 4—and bills subscribed before this same date—by persons who have been mobilized or have their usual domicile in territories which are in the enemy's hands.
>
> For all debtors not included in the two categories, the procedure of bill protest shall be suspended during the said two months, but during November the bearer of a bill shall be entitled to claim payment of the amount thereof—wholly or in part—from principal debtor (drawee), and a fortnight after default apply to the President of the Civil Courts for permission to enter an action against the said debtor.

How are bankers to follow these prescriptions? They hold an endless number of bills discounted and, as soon as the moratorium was first decreed, they annulled all items cast to customers' credit as proceeds of bills purchased, the due-date of which had been remanded by law. This may have been either legal or not—because a negotiation of bills is supposed to be final until the bills themselves are protested for non-payment—but, anyhow, it was generally accepted without demur, indorsees became debtors in account and the bills remained as a collateral guarantee. Under such circumstances the banker cannot use now his own discretion in the matter of requiring payment from drawee and, in order to avoid all responsibility toward his last indorser, he must perforce apply to the civil courts for permission to prosecute in every case.

Unless the decree is mended, therefore, there may be a million applications and consequent inquiries by Judges in the courts; one dares not think at what distant period in our future existence such cases will come up for a hearing and, meanwhile, what will happen to the relationship between banker and his last indorser and debtor? The amount involved almost certainly will run into several hundred million francs.

DUTCH TRADING STOPPED

Minister of Finance, for the Protection of the Market, Forbids Trading at Less Than Official Prices

Special Correspondence of The Annalist

AMSTERDAM, Oct. 31.

THE managers of our municipality, by order of the Minister of Finance, have forbidden all transactions in stocks or bonds, in consequence of which the previous small turnover on the floor of the official Exchange, or outside of it, has come to a standstill. It appears as if the unofficial transactions, which were closed at prices very considerably below those of the last official quotation list, dated July 28, were handicapping the Minister's plans, according to which he hoped to find a solution for the still unsettled difficulties and to pave the way for a reopening of the Stock Exchange.

The Ministerial decree, which was issued according to the Stock Exchange law of 1914, shows the significance of this law, which was passed as a consequence of the crisis and which has placed the regulation of Stock Exchange matters in the hands of the Minister of Finance. This law took the power out of the hands of the Stock Exchange Committee. This change was due in large measure to the inability of the Stock Exchange Committee to find a solution for the problems which arose out of the war crisis.

The complications in the Stock Exchange appear to be of such serious proportions that the Minister has not yet published his plans according to which he expects to solve the problem. Banks, bankers, jobbers, brokers, money lenders, and money borrowers are all comprised in the same union of Stock Exchange members. The measures which up till now have been taken in consequence of the crisis have strongly indicated that it is almost impossible to protect one group without harming another one. When the Stock Exchange was closed on July 29 owing to a vote of the majority of the Stock Exchange members, and the provisions relating to the calling in of loans and the valuation of the collateral covering loans were set aside until further notice, a decision was taken which decidedly was more in favor of borrowers than of lenders. As a consequence of this action the latter were not only placed in a position in which they could not release their money, but they were also obliged to be satisfied with collateral for their loans, valued at the last official prices before the outbreak of the war.

The fact that, owing to war conditions, the real value of the collateral had shrunk might not be taken into account. It need hardly be argued that this situation has fully impressed the people concerned with the fault of combining such different interests in one union.

EUROPEAN BANK STATEMENTS

Bank of England

Week Ended Nov. 18.

	1914.	1913.	1912.
Gold	£72,570,142	£36,820,482	£37,465,154
Reserve	55,707,000	26,867,522	27,638,659
Notes res.	55,155,000	25,341,600	26,320,450
Res. to liabilities	34%	55%	50⅝%
Circulation	35,313,000	28,402,960	28,277,095
Public deposits	16,286,000	10,611,297	13,883,639
Other deposits	147,335,000	38,248,144	40,635,313
Govt. securities	18,601,000	11,784,772	13,034,576
Other securities	107,103,000	27,987,325	31,670,772
Discount rate	5%	5%	5%

The changes, as compared with the previous week, were:

Gold	+£2,289,219	Circulation	— £205,000
Total reserve	+ 3,495,000	Public dep.	— 2,963,000
Notes reserve	+ 3,537,000	Other dep.	+10,049,000
Res. to liabil's.	+ 0.69%	Govt. sec.	+ 1,597,000
Bank rate	Unchanged	Other sec.	+ 2,013,000

Bank of Germany

	Oct. 31. Marks.	Nov. 18. Marks.	Changes. Marks.
*Total coin and bullion	1,890,344,000	1,956,687,000	+ 66,343,000
Of which gold	1,858,314,000	1,915,970,000	+ 57,656,000
Bills discounted	2,773,543,000	2,769,714,000	— 3,829,000
Loans	35,592,000	30,973,000	— 4,619,000
Securities	228,219,000	257,566,000	+ 29,347,000
Circulation	4,170,787,000	4,060,009,000	—110,778,000
Deposits	1,305,495,000	1,347,007,000	+ 41,512,000

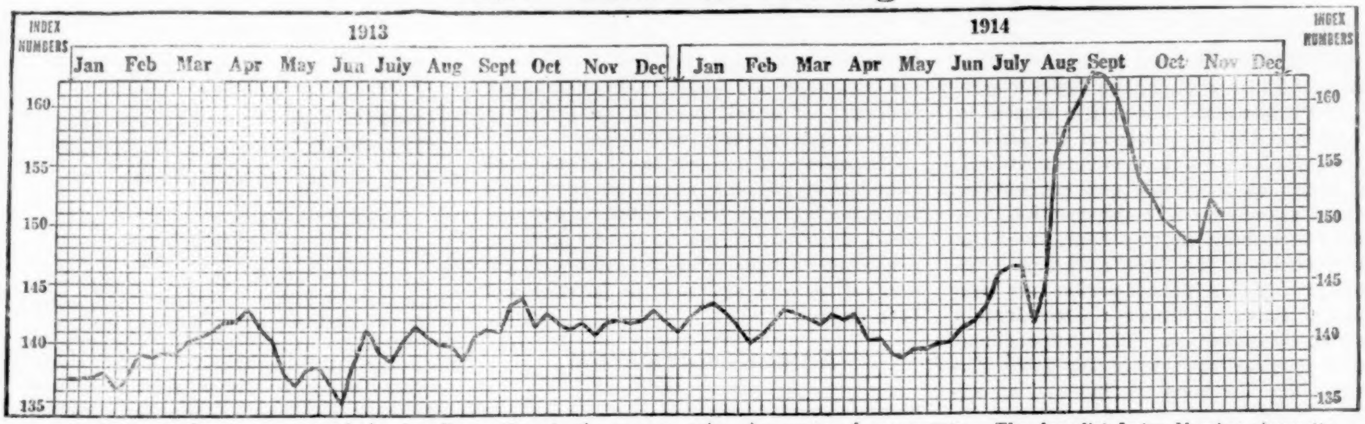
*Including treasury notes and notes of other banks.

Bank of Netherlands

Week Ended Oct. 31.

	1914. Dutch Guilders.	1913. Dutch Guilders.	1912. Dutch Guilders.
Gold	171,141,720	148,383,642	161,981,345
Silver	4,439,595	7,404,229	6,168,624
Bills discounted	188,412,964	101,746,803	104,737,793
Advances	134,192,734	95,116,196	77,957,435
Circulation	478,985,885	341,003,805	334,925,110
Deposits	17,419,845	3,498,609	3,704,480

The Cost of Living



An index number is a means of showing fluctuations in the average price of a group of commodities. The Annalist Index Number shows the fluctuations in the average wholesale price of twenty-five food commodities selected and arranged to represent a theoretical family's food budget.

Barometrics

THE ANNALIST INDEX NUMBER

—Weekly Averages.—		—Years' Averages.—			
Nov. 21	150.41	1913	139.98	1896	80.09
Nov. 14	151.81	1912	143.25	1890	109.25

POTENTIALS OF PRODUCTIVITY

The Metal Barometer

	—End of October.—		—End of September.—	
	1914.	1913.	1914.	1912.
Daily pig iron capacity, tons	53,252	78,558	60,427	83,375
U. S. Steel's orders, tons...	3,461,097	4,513,767	3,787,667	5,003,785
Pig iron production, tons....	*1,783,045	*2,546,261	†20,020,543	†26,507,371

*Month of October. †Ten months.

Building Permits

—October, 145 Cities.—		—September, 137 Cities.—		—August, 152 Cities.—	
1914.	1913.	1914.	1913.	1914.	1913.
$50,788,623	$65,402,337	$48,154,002	$73,272,154	$62,976,175	$65,703,443

Migration

	—August.—		—Eight Months.—	
	1914.	1913.	1914.	1913.
Inbound (alien only)......	37,706	126,180	581,694	916,873
Outbound (alien only)......	30,307	23,242	208,456	170,095
Balance	+7,399	+102,938	+373,238	+746,778

MEASURES OF BUSINESS ACTIVITY

Bank Clearings

Entire country, estimated. Percentages show changes from preceding year.

	The past week.	P. C.	The week before.	P. C.	The year to date.	P. C.
1914	$2,870,971,034	—16.1	$2,827,037,032	—17.5	$141,104,095,576	— 7.4
1913	3,421,900,421	— 5.0	3,428,195,966	—12.2	152,465,610,154	— 2.2
1912	3,600,750,376	+12.4	3,903,276,816	+11.9	155,905,322,917	+ 8.2

For the week ended Saturday noon. Reported by telegraph to The Annalist

Central	—Last Week.—		—Forty-seven Weeks.—		Year's Change.
Reserve cities:	1914.	1913.	1914.	1913.	P. C.
New York.......	$1,402,845,263	$1,848,111,973	$76,044,233,490	$85,253,658,110	—10.9
Chicago	293,328,273	334,983,540	14,248,764,742	14,531,607,935	— 1.8
St. Louis.......	74,705,018	87,638,414	3,514,154,765	3,689,413,376	— 4.7
Total 3 c.r.cities.	$1,770,878,554	$2,270,733,927	$93,807,152,997	$103,574,079,421	— 9.4
Reserve cities:					
Baltimore	$34,396,707	$40,362,689	$1,649,577,707	$1,784,498,438	— 7.5
Boston	146,429,773	162,731,354	6,885,535,995	7,312,309,326	— 5.8
Cincinnati	22,882,400	26,442,900	1,179,746,560	1,190,011,907	— 0.9
Cleveland	20,621,769	25,794,404	1,139,642,912	1,149,613,144	— 0.8
Denver	11,698,882	11,952,840	434,235,174	438,511,217	— 1.0
Detroit	26,180,590	28,124,062	1,238,837,531	1,196,612,341	+ 3.5
Kan. City, Mo..	73,608,042	60,885,299	2,599,277,824	2,573,356,934	+ 1.0
Los Angeles....	20,170,386	25,630,690	1,062,297,136	1,112,405,491	— 4.5
Louisville	11,273,292	14,394,088	599,292,650	648,197,244	— 7.5
Minneapolis	24,054,619	22,283,722	1,218,409,416	1,155,703,897	+ 5.5
New Orleans....	19,253,531	[illegible]	812,443,289	858,307,728	— 5.3
Omaha	17,714,702	18,183,965	797,218,334	814,309,400	— 2.1
Philadelphia ...	158,782,107	173,190,785	7,173,185,082	7,701,013,783	— 6.9
Pittsburgh	46,480,230	58,739,283	2,399,004,920	2,665,454,696	—10.0
St. Paul........	12,849,738	13,249,780	518,236,215	473,809,651	+ 9.4
San Francisco..	57,771,322	53,968,162	2,213,971,119	2,322,088,257	— 4.7
Seattle	11,589,967	13,777,335	566,978,117	594,831,975	— 4.7
Tot. 17 res. cit..	$725,758,157	$783,274,055	$32,487,980,001	$33,991,095,419	— 4.4
Grand total.....	$2,496,636,711	$3,054,007,982	$126,295,132,906	$137,565,174,840	— 8.2

Gross Railroad Earnings

	*Second Week in November.	†First Week in November.	‡Fourth Week in October.	§Month of September.	§July 1 to Sept. 30.
This year.....	$6,685,438	$6,426,093	$9,849,356	$184,920,095	$546,370,541
Same last year	7,418,306	7,169,488	10,995,834	190,095,317	561,297,420
Gain or loss...	—$732,868	—$743,395	—$1,146,478	—$5,175,222	—$15,026,879
	—9.8%	—10.4%	—10.4%	—2.7%	—2.7%

*18 roads. †16 roads. ‡17 roads. §38 roads.

The Car Supply

	Nov. 1.	Oct. 15.	—Nearest Report to Nov. 1.—					
Net surplus of all	1914.	1914.	1913.	1912.	1911.	1910.	1909.	1908.
freight cars...	170,096	151,982	*1,842	*51,259	26,514	34,581	*3,286	109,515

*Net shortage.

THE CREDIT POSITION

New York Banking Position

(Both Banks and Trust Companies, Average Figures.)

	Loans.	Deposits.	Cash.	Reserve
Last week	$2,146,189,060	*$2,027,960,000	*$350,462,000	*12.35%
Week before	2,132,170,000	1,925,354,000	442,799,000	22.99%
Same week, 1913.........	1,914,293,000	1,757,874,000	413,576,000	23.52%
This year's high.........	2,230,232,060	2,062,770,000	515,426,000	25.08%
on week ended.........	Sept. 19	May 16	May 23	Jan. 24
This year's low..........	1,874,614,000	1,717,649,000	*350,462,000	12.35%
on week ended........	Jan. 3	Jan. 3	Nov. 21	Nov. 21

*Figures affected by change to new banking system.

Specie Movement at the Port of New York

	Week Ended Nov. 21.		—Forty-seven Weeks.—	
	Imports.	Exports.	Imports.	Exports.
Silver	$478,037	$1,086,819	$9,377,684	$40,222,919
Gold	379,302	41,470	9,047,240	†28,300,594
Total	$857,339	$1,128,289	$18,424,924	$168,523,513

Cost of Money

	Last Week.	Previous Week.	Since Jan. 1. High.	Low.	—Same Week.— 1913.	1912.
Call loans at New York..	4¾@5½	5 @6	10	1½	2¼@3	4 @6
Time loans at New York, (60-90 days)	4¾@5½	5¼@6	10	2	4¾@5¼	5¾@6
Commercial discounts:						
New York	5 @6	5½@6½	7	3¼	5¼@5¾	5½
Chicago	6½@7	6 @7	8	5	6½	6½
Philadelphia	5½@6	6 @7	7½	3½	5½@6	6 @6½
Boston	5½@6	6 @6½	8	3¼	5½@6	5¾@6
St. Louis	6	6	8	4½	6 @7	6
Minneapolis	7 @8	7 @8	8	6	6 @7	6

Exchange

Sterling exchange, $4.88¼@$4.87⅛ for demand, $4.85½@$4.84¾ for 60 days, and $4.89⅛@$4.87¾ for cables. Exchange on New York at domestic centres ruled thus:

	Boston.	Chicago	St. Louis.	San Francisco.
Nov. 16.............	par	par	15c discount	50c premium
Nov. 17.............	par	par	5c premium	50c premium
Nov. 18.............	par	10c discount	5c premium	50c premium
Nov. 19.............	par	par	5c premium	50c premium
Nov. 20.............	par	20c premium	5c premium	50c premium
Nov. 21.............	par	20c premium	5c premium	50c premium

The Week's Commercial Failures

	Week Ended Nov. 19, 1914.		Week Ended Nov. 20, 1913.		Week Ended Nov. 21, 1912.	
	Total.	Over $5,000.	Total.	Over $5,000.	Total.	Over $5,000.
East	191	90	149	71	130	56
South	137	41	112	32	82	28
West	105	44	68	28	61	26
Pacific	41	11	44	18	40	16
United States	474	186	373	149	313	126
Canada	67	25	37	12	32	12

Failures by Months

	—October.—		—Ten Months.—		
	1914.	1913.	1914.	1913.	1912.
Number	1,686	1,434	14,527	13,146	12,966
Liabilities	$29,702,178	$20,245,466	$301,665,199	$216,992,042	$169,306,697

OUR FOREIGN TRADE

	—October.—		—Ten Months.—	
	*1914.	1913.	*1914.	1913.
Exports	$195,283,852	$271,861,464	$1,662,685,841	$2,005,283,622
Imports	137,978,778	132,949,302	1,548,429,652	1,460,334,373
Excess of exports..	57,305,074	138,912,162	114,256,189	544,949,249

*Preliminary figures.

Exports and Imports at New York

	—Exports.—		—Imports.—	
	1914.	1913.	1914.	1913.
Week ended Nov. 14.	$24,189,270	$17,537,272	$17,540,530	$22,108,366
Forty-six weeks.....	773,390,811	773,100,407	864,557,222	868,208,892

WEEK'S PRICES OF BASIC COMMODITIES

	Current Price.	Range since Jan. 1. High.	Low.	Mean Price s'ce Jan. 1.	Mean price of other years. 1913.	1912.
Copper: Lake, per pound............	$0.1225	$0.15125	$0.115	$0.133125	$0.16125	$0.1597
Cotton: Spot, middling upland, per lb..	.0760	.1450	.0750	.1100	.1310	.1147
Hemlock: Base price per 1,000 feet....	24.50	24.50	24.50	24.50	23.75	21.65
Hides: Packer No. 1, Native, per pound.	.22	.22	.1750	.1975	.18125	.175
Petroleum: Crude, per bbl............	1.45	2.50	1.45	1.975	2.25	1.67
Pig iron: Bessemer, at Pitts., per ton...	14.55	15.15	14.55	14.85	17.025	15.94
Rubber: Up-River, fine, per pound......	.67	1.15	.64	.895	.905	1.13
Silk: Raw, Italian classical, per pound.	3.45	4.70	3.45	4.075	4.40	3.847
Steel billets at Pittsburgh, per ton......	19.00	21.00	19.00	20.00	24.25	22.38
Wool: Ohio X, per pound..............	.26	.29	.23	.26	.27	.28

Transactions on the New York Curb

Week Ended Nov. 21, 1914

Industrials

Sales.		High.	Low.	Last.	Net Ch'ge.
800	Brit.-Am. Tob., Ord.	15½	15¼	15½	..
600	Brit.-Am. Tob. O. B'r	17	16	16	..
1,302	Kelly-Spring. Tire...	63	51	62	+10
50	K.-Sp. T. new, 1st pf.	75	75	75	..
54	K.-Sp. T. new, 2d pf.	93	90	93	..
600	Marconi of Am......	2⅜	2⅜	2⅜	..
1,350	Maxwell Motors	14¾	13¾	14¾	..
20	Maxwell Mot. 1st pf	44	44	44	..
400	Maxwell Mot. 2d pf.	18	17	18	− 1
500	Mays Oil	15	15	15	..
19,200	Riker & Hegeman..	8⅝	7½	8¼	+ ½
33,200	* R. & H. Cor. rts...	35	21½	34	..
200	Savoy Oil	7¼	7	7¼	..
2,250	Sterling Gum, w. i..	4¾	4⅜	4¾	+ ⅜
200	Un. C. St. Co. of Am	88	85	88	− 1
16,100	Un Cig Stores, new.	9	8⅝	8⅞	+ ⅜
8,820	Un. Profit Sr. Corp.	12⅜	11	11⅞	+ ¾
100	U. S. Li. & H., new..	3	3	3	..
50	U. S. L. & H. pf.....	20	20	20	..
500	Wayland Oil & Gas.	3½	3½	3½	..
125	Willys-Overland	70	68	70	..
1,410	World's Film	4⅞	4½	4⅞	+ ⅛

Mining

Sales.		High.	Low.	Last.	Net Ch'ge.
72,500	Atlanta	30½	25	29	+ 2½
5,000	Braden Copper	5⅜	5¼	5⅜	+ ⅛
500	Buffalo Mines	¾	¾	¾	+ ¼
1,200	* Caribou Cobalt	64	62	62	− 6
8,500	* C. O. D. Cons.....	5	4½	5	..
11,500	Combination Frac ..	11	10	11	..
100	Consol Ariz. Smelt..	3/16	3/16	3/16	..
120	Copper Mines	1⅛	1⅛	1⅛	..
1,600	Crown Reserve	84	63	68	−20
9,000	Dia. Black Butte....	3	2	3	..
8,325	Florence	45	35	39	+ 7
16,900	Goldfield Cons	1 3/16	*95	1½	+ 3/16
3,500	Greenwater	5	4½	5	..
1,100	Halifax Tonopah	25	24	24	..
6,100	Inter Mines Dev. Co.	22½	21	22½	..
400	Kerr Lake	4¾	4¾	4¾	..
11,150	McKinley-Darragh...	57	48	57	+13
500	North Butte Develop	3/16	3/16	3/16	..
57,500	Oro	10	8	8½	+ 1
22,000	Pacific Smelters	⅛	1/16	⅛	..
6,800	Stewart	1¼	1⅛	1¼	+ ¼
24,100	Tonopah Merger	37	31	36	+ 6
4,425	Tonopah Extension..	2⅝	2½	2 9/16	− ⅛
5	Tonopah M. of Nev..	7	7	7	− ⅛
2,000	Tularosa	¼	3-32	¼	..
750	Tuolumne Copper ..	35	30	30	..
500	United Verde Ext...	1½	1½	1½	..
15,600	West End Consol....	57	46	57	+ 2
600	West End Ext......	2	1	2	..
200	Wh. Knob Cop. pf..	1	1	1	..
500	Yukon Gold Mines..	2¼	2⅛	2¼	+ ⅜

* Cents per share.

Standard Oil Subsidiaries

Sales.		High.	Low.	Last.	Net Ch'ge.
47	Atlantic Refining ..	560	515	538	+30
82	Buckeye Pipe Line..	115	112½	113	− 3
16	Continental Oil	219	215	218	+ 3
20	Crescent Pipe Line..	45	41	42	..
99	Cumberland Pipe L.	58	54	56	..
16	Eureka Pipe Line ..	225	220	225	+10
32	Galena-Signal Oil ..	173	172	172	+ 4
86	Indiana Pipe Line..	99	93	95	− 2
183	National Transit ...	38½	36½	37½	− 1
42	New York Transit..	225	216	220	..
40	Northern Pipe Line.	91	90	91	+ 1
805	Ohio Oil	179	170	174½	+ 4½
190	Pierce Oil, new	16	14	14½	1½
223	Prairie Oil & Gas..	385	370	383	+11
11	Solar Refining	245	235	245	..
800	Anglo-Am. Oil	15	14½	14½	¾
150	South Penn Oil	279	248	279	+29
112	Southern Pipe Line.	198	193	195	..
13	Southw. Penn P. L..	120	118	118	..
505	Standard Oil of Cal.	295	285½	294	+ 4
144	Standard Oil of Ind.	475	460	475	..
32	Standard Oil of Kan.	352	343	351	+16
17	Standard Oil of Neb.	340	325	330	..
335	Standard Oil of N. J.	380	371	384	+ 6
504	Standard Oil of N. Y.	196	188	189	− 2
17	Standard Oil of Ohio.	425	417	425	+ 7
2	Swan & Finch Co...	106	106	106	..
200	Union Tank	81	79	80	+ 1
115	Vacuum Oil	185	181	183	..
13	Washington Oil	40	40	40	..

Transactions on the Boston Curb

Week Ended Nov. 21

Sales.		First.	High.	Low.	Last.	Net Ch'ge.
500	Atlanta	.27	.27	.27	.27	..
500	Atlanta Goldfield..	.29	.29	.29	.29	..
16,240	Bay State Gas....	.11	.12	.10	.11	+.01
200	Bohemia	1¼	1½	1¼	1½	+ 7/16
1,700	Boston Ely	.25	.25	.25	.25	..
7,560	Butte & London..	.19	.38	.19	.30	+.11
975	Calaveras	.98	$1	.98	$1	+.03
2,400	Calumet & Corbin.	.08	.13	.05	.13	+.07
200	Combination Frac.	.15	.15	.15	.15	..
2,150	Crown Reserve ...	.75	.75	.67	.68	−.20
1,440	Davis-Daly	.59	.80	.59	.80	+.25
800	Eagle Blue Bell..	.82	.83	.80	.83	+.03
1,360	First National....	.99	1 1/16	.95	1 1/16	+.11
1,030	Goldfield Consol...	1 1/16	1½	1	1 7/16	+.51
1,800	Goldfield Merger..	.22	.23	.19	.22	..
120	Houghton	1¾	1¾	1¾	1¾	..
900	Humboldt	.12	.12	.10	.10	−.03
1,225	Iron Blossom	1⅛	1⅛	1⅛	1⅛	..
11,440	Jumbo Extension..	.95	1 1/16	.77	1 1/16	+.21
150	La Rose	.71	.71	.71	.71	−.01
200	McKinley-Darragh	.46	.46	.45	.46	+.04
1,200	Majestic	.12	.20	.12	.20	+.08
1,200	Mexican Metals...	.16	.18	.16	.18	..
3,150	Nevada Douglas ..	.45	.48	.43	.48	+.02
3,350	Ohio Copper	.08	.13	.08	.12	+.05
100	Old Dominion rcts.	.05	.05	.05	.05	..
15	Riker-Hegeman ..	8⅞	8⅞	8⅝	8¾	+ 1⅛
384	Rik.-Hegeman rts.	.29	.37	.29	.33	..
700	Smokey Devel	.15	.25	.15	.25	..
800	Stewart	1⅛	1⅛	1⅛	1⅛	..
500	Tonopah Midway..	.39	.39	.39	.39	..
1,550	Tonopah Merger..	.33	.36	.31	.36	+.11
1,100	United Cigar St..	8¾	8⅞	8⅝	8⅞	+ ⅛
370	United Profit Shar	12¼	12¼	12	12	+ ⅜
8,370	United Verde Ext.	1⅛	2¼	1⅛	2	+ ⅞

75,179 total shares.

Short Term Note Values

Week Ended Nov. 21

Name.	Rate.	Maturity.	Bid.	Ask.	Yield.
Amalgamated Copper	5	Mar.15,'15	100	100⅛	4.62
American Locomotive	5	July, 1915	99¼	100¼	4.60
Am. Tel. & Tel. sub	5	Apr., 1916	99⅝	99⅞	5.09
American Tob. Scrip	6	Sept.,1915	100⅜	100¾	5.05
Baltimore & Ohio	4½	June, 1915	99⅝	99⅞	4.75
Bethlehem Steel	5	June11,'15	99⅜	99¾	5.45
Brooklyn Rapid Transit	5	July, 1918	98⅛	98⅝	5.50
Canadian Pacific	6	Mar.2, '24	101¾	102⅛	5.70
Chesapeake & Ohio	5	June, 1919	88½	89½	7.35
C. P., M., pay M. & N.	6	May 1, '17	95	97¾	7.00
Chicago & West. Ind.	5	Sept., 1915	99	99⅛	5.60
Chicago Elevated Rys.	5	July, 1916	94	98	6.35
Consolidated Gas	6	June, 1915	100¾	101	4.37
Erie Railroad	5	Apr., 1915	98¾	99½	6.33
Erie Railroad	5	Oct., 1915	97	97½	7.90
Erie Railroad	5½	Apr., 1917	94½	96½	6.85
General Motors	6	Oct., 1915	100¼	100⅝	5.15
General Rubber	4½	July, 1915	99	99¼	5.20
Harlem River & Port.	5	May, 1915	90	96	14.00
Hocking Valley	6	Nov., 1915	99½	100	6.00
International Harvester	5	Feb.15,'15	99⅞	100⅛	4.45
Lackawanna Steel	5	Mar., 1915	97½	99	8.45
Lake Shore & Mich. So.		June, 1915	5.00	4.75	....
Lo. G. & E., pay A. & O.	6	Apr. 1, '18	95	97	7.00
Minn. G. El., pay J. & J.	6	June 1,'17	98	98½	6.50
Michigan Central	4½	Mar. 2,'15	99½	100	4.50
Montreal Tram & Pow.	6	Apr., 1915	..	99½	7.65
New England Nav.	6	May, 1917	87½	91	9.85
N. Y. C. & H. R. R. R.	5	Apr., 1915	99½	99⅞	5.35
N. Y. C. & H. R. R. R.	4½	May, 1915	99⅛	99½	5.60
N. Y. C. & H. R. R. R.	5	Sep. 15,'15	98½	99½	5.60
N. Y. C. & H. R. R. R.	5	Oct., 1915	98½	99¼	5.90
N. Y., N. H. & H. R. R.	5	May, 1915	93½	97	13.25
Pacific Gas & Electric	5	Mar.25,'15	99⅝	100	5.00
Penn. R. R. conv.	3½	Oct., 1915	98⅜	98⅞	4.80
Pub. Serv. Corp. of N. J.	5	Mar., 1916	97½	98½	6.25
Seaboard Air Line	5	Mar., 1916	97¼	98¾	6.00
Southern Railway	5	Feb., 1916	98	99	5.85
Southern Railway	5	Mar., 1917	97½	98	5.95
Sulzberger & Sons	6	June, 1916	98¾	100	6.00
United States Smelting	5	June, 1918	95	96	6.30
Un. Typewriter	5	Jan. 15,'16	96½	98½	6.35
United Fruit	6	May, 1917	100	100½	5.75
United Fruit	5	May, 1918	96½	97¼	5.90
Utah Company	6	Apr., 1917	96	99	6.50
West. Pow., pay J. & J.	6	July 18,'15	99	99½	6⅜

New York City Notes

Name.	Rate.	Maturity.	Bid.	Ask.	Yield.
New York City	6	Sept., 1915	101	101¼	4.37
New York City	6	Sept., 1916	102⅝	102½	4.52
New York City	6	Sept., 1917	103⅝	103⅞	4.50

Dividends Declared and Awaiting Payment

STEAM RAILROADS.

Company.	Rate.	Period.	Payable.	Books Close.
A. T. & S. F.	1½	Q	Dec. 1	*Oct. 30
Atl. C. Line	1½	Q	Dec. 10	Nov. 30
Bos. & Albany	2¼	Q	Dec. 31	*Nov. 30
Can. Pacific	2½	Q	Jan. 2	*Dec. 1
Ches. & Ohio	1	—	Dec. 31	*Dec. 5
Chestnut Hill	1½	Q	Dec. 4	Nov. 20
Chi. & N. W.	1¾	Q	Jan. 2	*Dec. 1
Do pf.	2	Q	Jan. 2	*Dec. 1
C., N.O. & T.P.	3	—	Dec. 10	*Nov. 28
C., N.O. & T.P.	2½	Ex.	Dec. 10	*Nov. 28
Do pf.	1¼	Q	Dec. 1	*Nov. 21
Cleve. & Pitts.	1¾	Q	Dec. 1	*Nov. 10
Do spc. gtd.	1	Q	Dec. 1	*Nov. 10
Crip. Cr. Cent.	1	Q	Dec. 1	*Nov. 21
Do pf.	1	Q	Dec. 1	*Nov. 21
N.Y., P. & N.	$3	—	Nov. 30	*Nov. 14
Norf. & West.	1¼	Q	Dec. 19	*Nov. 30
N. Penns'vania	2	Q	Nov. 25	Nov. 12
Pennsylvania	1½	Q	Nov. 30	*Nov. 2
Phila., G. & N.	1½	Q	Dec. 4	Nov. 20
P.,B. & L.E.pf.	3	—	Dec. 1	Nov. 14
Reading 1st pf.	1	Q	Dec. 10	*Nov. 24
Reading 2d pf.	1	Q	Jan. 14	*Dec. 22
St. L., R. M. & Pac.	½	Q	Jan. 10	Dec. 31
So. Pacific	1½	Q	Jan. 2	*Nov. 30
So. Ry. pf.	2	†	Hold. rec.	Oct. 31
Union Pacific	2	Q	Jan. 2	*Dec. 1

STREET RAILWAYS.

Company.	Rate.	Period.	Payable.	Books Close.
Am. Rwys.	62½c	Q	Dec. 15	*Nov. 30
Baton R. E. pf.	3	—	Dec. 1	Nov. 14
Br. T., L. & P.	1½	Q	Dec. 1	Oct. 31
Cent. Ark. Ry. & L. pf.	1¾	Q	Dec. 1	*Nov. 14
Detroit United	1½	Q	Dec. 1	*Nov. 14
Easton Con. El.	1-3	M	Nov. 24	*June 26
El Paso Elec.	2¼	Q	Dec. 15	*Dec. 1
Do pf.	3	—	Jan. 11	*Dec. 24
M. Bdg. 3c L.	1½	Q	Dec. 1	*Nov. 27
Norf. R. & L.	3	—	Dec. 10	*Nov. 30
No. O. T. & L.	1¼	Q	Dec. 15	*Nov. 30
Nor. Tex. Elec.	1¾	Q	Dec. 1	*Nov. 20
Roch. Ry. & L. pf.	1¼	Q	Dec. 1	*Nov. 23
Wash. (D. C.) Ry. & El.	1¾	Q	Dec. 1	Nov. 14
Do pf.	1¼	Q	Dec. 1	Nov. 14
Wisc.-Minn. L. & P. pf.	1¾	Q	Dec. 1	Nov. 17

INDUSTRIAL AND MISCELLANEOUS

Company.	Rate.	Period.	Payable.	Books Close.
Adams Exp.	1	Q	Dec. 1	Nov. 16
Amal. Copper	½	Q	Nov. 30	*Oct. 24
Am. C. Oil pf.	3	S	Dec. 1	Nov. 12
Am. Gas	1¾	Q	Dec. 1	Nov. 18
Am. Radiator	2½	Q	Dec. 31	Dec. 22
Am. Sm. & R.	1	Q	Dec. 15	Nov. 27
Do pf.	1¾	Q	Dec. 1	Nov. 13
Am. Sugar com. & pf.	1¾	Q	Jan. 2	*Dec. 1
Am. Tobacco	5	Q	Dec. 1	Nov. 14
Atlantic Ref.	5	—	Dec. 15	Nov. 20
Atlas Powder	1½	Q	Dec. 10	Nov. 28
Bord. C.M. pf.	1½	Q	Dec. 15	Dec. 5
B'klyn U. Gas	1½	Q	Jan. 2	....
B'klyn U. Gas	1	Ex.	Jan. 2	....
Br. Col. F. & P.	1¾	—	Nov. 30	....
Buck. P. L.	$2	Q	Dec. 15	Nov. 24
Butterick Co.	¾	Q	Dec. 1	Nov. 16
Cambria Steel	1¼	Q	‡	Oct. 31
Cen. Miss. Val. E. Prop. pf.	$1.50	Q	Dec. 1	*Nov. 20
Cheseb'h Mfg.	6	Q	Dec. 22	Nov. 30
Cheseb'h Mfg.	4	Ex.	Dec. 22	Nov. 30
Cl. & S. Brew.	1	Q	Dec. 15	....
Col. Power pf.	1¾	Q	Dec. 15	*Nov. 30
Col. Gas & F.	1	Q	Dec. 1	*Nov. 14
Ct. Pow. pf.	$1.50	Q	Dec. 1	*Nov. 21
Cont. Oil	3	Q	Dec. 1	....
Cons. Gas	1½	Q	Dec. 15	Nov. 12
Crescent P. L.	75c	Q	Dec. 15	Nov. 25
C.-Am. Sug. pf.	1¾	Q	Jan. 2	*Dec. 15
Cumb. P. L.	5	—	Dec. 15	Nov. 30
Diam. Match	1½	Q	Dec. 15	*Nov. 30
Deere & Co. pf.	1¾	Q	Dec. 1	*Nov. 14
Dom. P. & T. pf.	2	—	Dec. 15	Nov. 30
Dom. Textile	1½	Q	Jan. 2	Dec. 15
Du P. I. P. pf.	1½	Q	Jan. 2	Dec. 21
Eastman Kod.	2½	Q	Jan. 2	*Dec. 5
Do pf.	1½	Q	Jan. 2	*Dec. 5
Es. & H. Gas	4	—	Dec. 1	Nov. 20
Fed. M. & S. pf.	1	Q	Dec. 15	Nov. 20
Galena-Sig. Oil	3	Q	Dec. 31	*Nov. 30
Do pf.	2	Q	Dec. 31	*Nov. 30
Gen. Chemical	5	Ex.	Feb. 1	Dec. 31
Do pf.	1½	Q	Jan. 2	Dec. 17
Gen. Chemical	1½	Q	Dec. 1	Nov. 19
Gen. Asph. pf.	1¼	Q	Dec. 1	Nov. 14
Gen. Electric	2	Q	Jan. 15	*Nov. 28
Goodrich (B. F.) Co. pf.	1¾	Q	Jan. 1	Dec. 21
Gt. N. ore cfs.	50c	—	Dec. 22	Dec. 8
Gt. N. Paper	1½	Q	Dec. 1	*Nov. 20
Hack. W. com. & pf.	3	—	Dec. 1	Nov. 14
Har.-Walk. R.	½	Q	Dec. 1	Nov. 20
Haw. C. & Sug.	28c	—	Dec. 5	Nov. 25
Haw. C. & Sug.	50c	Ex.	Dec. 5	Nov. 25
Home. Mining	65c	M	Nov. 25	Nov. 20
Inland Steel	1	Q	Dec. 1	Nov. 10
Int. Har. N. J. pf.	1¾	Q	Dec. 1	*Nov. 10
Int. Har. Corp. pf.	1¾	Q	Dec. 1	*Nov. 10
Int. Nickel	2½	Q	Dec. 1	Nov. 14
Int. S. P. & C.	¾	Q	Jan. 2	*Dec. 21
Jumbo Ext. M.	5c	—	Dec. 15	Nov. 20
Kings Co. El. L. & P.	2	Q	Dec. 1	Nov. 20
Lack. Steel pf.	1¾	Q	Dec. 1	Nov. 30
Lac. G. Light	1¾	Q	Dec. 15	Dec. 1
Do pf.	2½	S	Dec. 15	Dec. 1
Leh. C. & N.	$1	Q	Nov. 30	*Oct. 31
Lig. & M. Tob.	3	Q	Dec. 1	*Nov. 16
Lind. Light pf.	1¾	Q	Nov. 30	Nov. 16
Mass. Gas Cos. pf.	2	—	Dec. 1	Nov. 14
May Dept. St.	1¼	Q	Dec. 1	Nov. 20
Mid. W. Ut. pf.	1½	Q	Dec. 1	Nov. 14
M. Plow 1st pf.	1¾	Q	Dec. 1	*Nov. 17
Merg. Lino.	2½	Q	Dec. 31	Dec. 5
Merg. Lino.	3	Ex.	Dec. 31	Dec. 5
Mont. Cottons	1	Q	Dec. 15	*Dec. 5
Do pf.	1¾	Q	Dec. 15	*Dec. 5
Nat. Biscuit	1¾	Q	Jan. 15	*Dec. 28
Do pf.	1¾	Q	Nov. 30	*Nov. 16
Nat. C. & S. pf.	1¾	Q	Dec. 1	*Nov. 20
Nat. Lead	¾	Q	Dec. 31	Dec. 11
N. Sugar Ref.	1½	Q	Jan. 2	Dec. 7
Nat. Transit	75c	Q	Dec. 15	Nov. 30
N. Y. Air Br.	1½	Q	Dec. 23	*Dec. 2
N. Y. & Q. El. L. & P. pf.	1	Q	Dec. 1	*Nov. 20
No. Am. Co.	1¼	Q	Jan. 2	Dec. 15
O. Cit. Gas	1¼	Q	Dec. 1	Nov. 14
Ogil. F. M. pf.	1¾	Q	Dec. 1	Nov. 20
Ohio Oil	$1.25	Q	Dec. 19	Nov. 24
Ohio Oil	75c	Ex.	Dec. 19	Nov. 24
Penn. Light'g.	1	—	Nov. 30	*Nov. 24
Peop. Gas Light & Coke	2	Q	Nov. 25	*Nov. 2
Phila. Elec.	39⅜c	Q	Dec. 15	Nov. 20
Pitts. Brewing	½	Q	Nov. 30	Nov. 20
Do pf.	1¾	Q	Nov. 30	Nov. 20
Pr. Steel Car	¾	Q	Dec. 16	Nov. 25
Do pf.	1¾	Q	Nov. 25	Nov. 4
P. R.-A. Tob.	‡5	Q	Dec. 3	Nov. 14
Quaker Oats	2½	Q	Jan. 15	Dec. 31
Do pf.	1½	Q	Feb. 27	Feb. 1
Solar Refining	5	—	Dec. 21	Nov. 30
So. P. R. Sug.	1	Q	Jan. 2	Dec. 12
Do pf.	2	Q	Jan. 2	Dec. 12
So. Pipe L.	6	Q	Dec. 1	*Nov. 16
S.W. P. & L. pf.	1¾	Q	Dec. 1	*Nov. 25
St. Oil, Neb.	10	—	Dec. 20	Nov. 20
St. Oil of N. J.	5	Q	Dec. 15	*Nov. 20
S. Oil of N. Y.	2	Q	Dec. 15	Nov. 27
S. O. of Cal.	2½	Q	Dec. 15	Nov. 23
St. Oil (Ind)	3	Q	Nov. 30	*Nov. 9
Do.	3	Ex	Nov. 30	Nov. 9
St. Oil of Ohio	3	Q	Jan. 1	....
Do (ex.)	3	—	Jan. 1	....
Stud. Corp. pf.	1¾	Q	Dec. 1	Nov. 20
Texas Co.	2½	Q	Dec. 31	Dec. 17
Und. Typew'r.	1	Q	Jan. 1	*Dec. 19
Do pf.	1¾	Q	Jan. 1	*Dec. 19
Un. C. St. pf.	1¾	Q	Dec. 15	Nov. 30
U. S. Gyp. pf.	1½	Q	Dec. 24	Dec. 15
U. S. Steel	½	Q	Dec. 30	Dec. 1
Do pf.	1¾	Q	Nov. 28	Nov. 2
Utah Con. Min.	50c	—	Dec. 22	Dec. 1
White (J. G.) Eng. pf.	1¾	Q	Dec. 1	Nov. 16
Do Man. pf.	1¾	Q	Dec. 1	Nov. 18
Wis. Edison	$1.75	Q	Dec. 1	Nov. 14
Woolworth (F. W.) Co.	1½	Q	Dec. 1	*Nov. 10
Woolworth (F. W.) pf.	1¾	Q	Jan. 2	*Dec. 10

*Holders of record; books do not close. †Payable in dividend certificates maturing Nov. 1, 1919, and bearing interest from Nov. 1, 1914, at rate of 4 per cent. per annum, payable semi-annually; certificates to be mailed on Dec. 10. ‡Payable in scrip.

Reserve Banks

ONE RATE REDUCED

Boston Federal Reserve Bank Lowers Its Figure on Short-Time Paper—All the New Banks Set Under Way Smoothly

FORMAL authorization to begin business was issued to each of the twelve Federal Reserve Banks last Monday, and they began on that day to receive the deposit of the reserves which the member banks were required to turn over to the central institutions. On the same day several of the banks, including the New York bank, began rediscounting for the member banks.

Later in the week the first of the Federal Reserve notes were put out. Some were issued in payment of drafts on the Reserve Banks, but in a number of cases they were put out merely in response to requests from banks which wished to get some of the new currency, and did so by exchanging gold or lawful money for the Federal Reserve notes, a process which would greatly strengthen the gold holdings of the Reserve Banks if it were carried on to any large extent.

The transfer of the reserve proceeded very smoothly. There was none of the restriction of credit which some bankers, when the law was passed, feared there might be when the member banks began to turn cash over to the Reserve Banks. On the contrary, money rates eased further during the week.

Only one change was made in the discount rates fixed at the outset. The Boston bank, with the approval of the Reserve Board, lowered its rate on short-time paper from 6 per cent. to 5½ per cent., bringing it to the level of the rate which had been fixed for the New York and Philadelphia banks.

THE FIRST DISCOUNT

THE first discount with any of the Federal Reserve Banks, made by the Chemical National at New York, and the subsequent pledge with the Federal Reserve Board by the Reserve Bank of the paper discounted by the Chemical to secure an issue of Federal Reserve notes to the Reserve Bank, afford an illustration of how the new system works in these respects. The Federal Reserve notes are now in circulation, and they are secured by the notes of customers of the Chemical Bank, and possibly by this time of other banks, who do not necessarily know that they have been discounted. In this instance, however, the Chemical inquired of the makers of the notes beforehand if they had any objection to their paper being put to this use. In no case was any objection made.

BANK'S APPLICATION

On the day the New York Reserve Bank opened, the Chemical Bank made application, on one of the blanks provided for the purpose, for the rediscount of a considerable number of notes, of which a list was attached. This list gave the names of the makers and those of the indorsers, if any, with the amounts, aggregating $2,182,500. The notes were of the very highest character as to the credit of the makers and were indorsed by the Chemical and stamped, as prescribed by the regulations, with the statement that they conformed with the requirements formulated by the Federal Reserve Board. They had thirty days or less to run, so that the Chemical was able to take advantage of the lower discount rate, 5½ per cent.

The discount was about $8,000, which was the first money the Federal Reserve Bank of New York made. The remainder was credited to the account of the Chemical, to which a receipt was sent.

The effect of this transaction was that the Reserve Bank became the owner of the notes and the Chemical Bank became liable to it for their payment by its indorsement. The Reserve Bank will not collect the notes from the makers, but as they become due will send them to the Chemical and debit its account with the amount payable. When the due date comes the makers will make payment at the Chemical Bank, where the notes were originally made payable, just as if they had not been rediscounted.

WITHDRAWING PROCEEDS

The same day it discounted the notes with the Reserve Bank, the Chemical made a draft on the Federal Reserve Bank against the credit thus established to the amount of $1,000,000. The draft went through the Clearing House the next day and entered into the credit balance of the Chemical and the debit balance of the Reserve Bank in the day's clearings.

Since then, some or all of the rediscounted notes have been pledged with the Federal Reserve Agent by the New York Reserve Bank to secure an issue to it of Federal Reserve notes, and these notes have been paid out by the Reserve Bank. The commercial notes will be returned to the Reserve Bank as they approach maturity, other unmatured paper being substituted by it. That will put the Reserve Bank in a position to send them back to the Chemical and charge them to its deposit account.

BOARD'S REGULATIONS

Time Deposits—Savings Accounts

Regulation No. 7.

Section 19 of the Federal Reserve act provides in part as follows:

Demand deposits within the meaning of this act shall comprise all deposits payable within thirty days, and time deposits shall comprise all deposits payable after thirty days, and all savings accounts and certificates of deposit which are subject to not less than thirty days' notice before payment.

The term "time deposits" is interpreted to include any deposits subject to check upon which the bank has the right, by written contract entered into with the depositor at the time the deposit was made, to require from such depositor not less than thirty days' notice before such deposit or any part thereof may be withdrawn. Any agreement, written or verbal, entered into by a member bank with a depositor not to enforce the terms of such contract of deposit shall be construed as vitiating the contract, and any member bank reporting as time deposits any deposits on which it has not the right to require not less than thirty days' notice before withdrawal may be subject to the penalties prescribed by Section 5209 of the Revised Statutes of the United States.

The term "savings accounts" shall be held to include those interest-bearing accounts which are carried with the bank under written agreement on the part of the bank to pay a specific rate of interest, which rate is to be paid to all other depositors having similar accounts and where the depositor is required to present his passbook with each check drawn. Savings accounts shall not be held to include any ordinary checking accounts where presentation of the pass-book with the check is not required.

In the case of State banks and trust companies located in States whose laws require that funds accruing from savings accounts shall be invested in any particular class of securities, only those accounts whose balances are so invested and which are handled so as to comply with the technical requirements of the State laws shall be held to be savings accounts within the meaning of this act.

GOVERNMENT DEPOSITS

Successive Steps in the Law Fixing the Status of These Deposits—A Question in Respect to Interest

Editor of The Annalist:

EVER since the Independent Treasury act of 1846 made it a felony to deposit public money in banks, the Secretary of the Treasury has only had such powers over Government deposits as Congress has seen fit from time to time to confer upon him specifically in subsequent laws.

In 1903, near the close of the Fifty-seventh Congress, an unsuccessful attempt was made to pass a bill containing "an entirely new feature"—a provision that banks having public deposits must pay interest, the rate to be fixed by the Secretary of the Treasury, but at not less than 1½ per cent. per annum. In the debate Senator Aldrich made this interesting statement: "Heretofore on these deposits, ranging from $10,000,000 to $300,000,000, no bank has ever paid one cent of interest to the United States Government for the use of this money." (Congressional Record, vol. 36, p. 2554.) The minority filibustered and Senator Aldrich charged them with murdering his bill. For five years more no Secretary of the Treasury had, or pretended to have, any right to charge interest on public deposits.

UNAUTHORIZED PRACTICE

The practice of charging interest on Government deposits in national banks is now without authority of law, and has been so since June 30, 1914. The only law that ever authorized the payment of interest on deposits of public money in national banks was found in Section 5153 of the Revised Statutes of the United States, as amended by Section 15 of the Vreeland-Aldrich act, approved May 30, 1908, which expired by limitation on June 30, 1914. Other provisions of that act, but not Section 15, were extended to June 30, 1915, by the Federal Reserve act approved Dec. 23, 1913.

Section 27 of the Federal Reserve act reenacted Section 5153 of the Revised Statutes to read as it read prior to May 30, 1908, "subject to such amendments or modifications as are prescribed in this act."

Prior to May 30, 1908, Section 5153, R. S., read as it was made to read by the Act of March 4, 1907, to wit:

Section 5153. All national banking associations designated for that purpose by the Secretary of the Treasury shall be depositaries of public money, under such regulations as may be prescribed by the Secretary; and they may also be employed as financial agents of the Government; and they shall perform all such reasonable duties, as depositaries of public money and financial agents of the Government as may be required of them. The Secretary of the Treasury shall require the associations thus designated to give satisfactory security, by the deposit of United States bonds and otherwise, for the safekeeping and prompt payment of the public money deposited with them, and for the faithful performance of their duties as financial agents of the Government: Provided, That the Secretary shall, on or before the first of January of each year, make a public statement of the securities required during that year for such deposits. And every association so designated as receiver or depositary of the public money shall take and receive at par all the national currency bills, by whatever associations issued, which have been paid into the Government for internal revenue, or for loans or stocks: Provided, That the Secretary of the Treasury shall distribute the deposits herein provided for, as far as practicable, equitably between the different States and sections.

There is not a word here about interest. The provisions for the payment of interest on public deposits were added by Section 15 of the Act of May 30, 1908, as follows:

Section 15. That all national banking associations designated as regular depositaries of public money shall pay upon all special and additional deposits made by the Secretary of the Treasury in such depositaries, and all such associations designated as temporary depositaries of public money shall pay upon all sums of public money deposited in such associations interest at such rate as the Secretary of the Treasury may prescribe, not less, however, than 1 per centum per annum upon the average monthly amount of such deposits: Provided, however, That nothing contained in this act shall be construed to change or modify the obligation of any association or any of its officers for the safekeeping of public money: Provided further, That the rate of interest charged upon such deposits shall be equal and uniform throughout the United States.

THE RESERVE ACT

The Federal Reserve act has a special section on Government deposits, namely:

Section 15. The moneys held in the general fund of the Treasury, except the 5 per centum fund for the redemption of outstanding national banknotes and the funds provided in this act for the redemption of Federal Reserve notes, may, upon the direction of the Secretary of the Treasury, be deposited in Federal Reserve Banks, which banks, when required by the Secretary of the Treasury, shall act as fiscal agents of the United States; and the revenues of the Government, or any part thereof, may be deposited in such banks, and disbursements may be made by checks drawn against such deposits.

No public funds of the Philippine Islands, or of the Postal Savings, or any Government funds, shall be deposited in the Continental United States in any bank not belonging to the system established by this act: Provided, however, That nothing in this act shall be construed to deny the right of the Secretary of the Treasury to use member banks as depositaries.

This section of the Federal Reserve act virtually amends or modifies Section 5153, R. S., by restricting the employment of national banks as United States depositaries to such as are member banks of the Federal Reserve system. But there is no reference to any provision for the payment of interest on public deposits either in this section or in Section 27, which will now be given in full, as it was at the time in question:

Section 27. The provisions of the Act of May 30, 1908, authorizing national currency associations, the issue of additional national-bank circulation, and creating a National Monetary Commission, which expires by limitation under the terms of such act on the thirtieth day of June, 1914, are hereby extended to June 30, 1915, and Sections 5153, 5172, 5191, and 5214 of the Revised Statutes of the United States, which were amended by the Act of May 30, 1908, are hereby re-enacted to read as such sections read prior to May 30, 1908, subject to such amendments or modifications as are prescribed in this act: Provided, however, That Section 9 of the act first referred to in this section is hereby amended so as to change the tax rates fixed in said act by making the portion applicable thereto read as follows:

"National banking associations having circulating notes secured otherwise than by bonds of the United States, shall pay for the first three months a tax at the rate of 3 per centum per annum upon the average amount of such of their notes in circulation as are based upon the deposit of such securities, and afterward an additional tax rate of one-half of 1 per centum per annum for each month until a tax of 6 per centum per annum is reached, and thereafter such tax of 6 per centum per annum upon the average amount of such notes."

PRESENT STATUS

In short, prior to May 30, 1908, Section 5153 of the Revised Statutes contained no provision to charge or receive interest on public deposits. The authority to charge or receive interest was conferred by Section 15 of the Act of May 30, 1908, and this section expired by limitation on June 30, 1914. The Federal Reserve act does not prescribe any amendment or modification of Section 5153 to extend or continue this authority. See Section 27 of the Federal Reserve act, which extends this Section 15 until June 30, 1915. Therefore, the reenactment of Section 5153, R. S., as it was prior to May 30, 1908, repealed the entire provision for interest on deposits of public moneys in national banks.

JAMES C. HALLOCK.

Utilities

The Progress of Street Railways in Germany

Electricity Has Almost Entirely Replaced Other Power—Germans Do Not Use Transit Facilities as Freely as We Do

THE development of street railway service in Germany in the last few years has been very rapid. Total mileage has increased largely and electricity has been slowly but surely replacing the horse car and steam-driven systems. In 1901 there were 101 miles of horse car lines, and in 1912 this had been reduced to twenty-five miles, while in the same period the mileage of steam-driven lines was reduced from eighty-three to forty-four. A considerable portion of the street railway mileage is, however, still narrow gauge.

Of the 288 companies operating street railways in Germany on March 31, 1913, with a total mileage of 3,116, 155 were operated and owned by private companies and 133 were operated under public ownership, according to statistics compiled by Vice Consul General Louis G. Dreyfus of Berlin. The number of employes on the payrolls was 50,982 and, in 1912, there were transported 2,761,756,355 passengers, compared with 2,567,155,295 in the preceding year. In freight service, 1,862,609 metric tons were carried in 1912, as against 1,794,585 in 1911.

INCOME AND EXPENSES

The total receipts of all street railways in Germany in 1912 were $67,392,785, compared with $62,051,956, an increase of $5,340,829,, for the year 1911. By far the greater part of these revenues were from passenger traffic, freight and postal traffic receipts accounting for but $2,594,182 of the total in 1912, and $1,957,194 in 1911. Total expenditures in 1912 were $42,957,026, an increase of $4,048,310 over the preceding year. Invested capital in 1912 was placed at $287,593,726. The 1912 statistics show that there were 244 deaths and 1,100 injuries to passengers and eight deaths and 129 injuries to employes.

As will be seen from the accompanying table, the street railways in Germany are not used nearly so much as they are in this country. In 1911 the various lines in Greater New York, including subways, elevated lines, &c., carried 1,603,901,397 passengers, which was equivalent to 328 rides per capita, or, figured on the basis of 1910 population, to make it comparable with the Berlin figures, which are based on the population of that city and thirty suburbs as shown by the census of 1910, the number of rides per capita was 336. In the same year, only 648,252,625 passengers were carried in Berlin, which was equal to 186 rides per capita. Both cities made substantial passenger traffic gains in 1912, but New York's gain was relatively greater than that of Berlin.

VARYING USAGE

Other German cities show great variations in the usage of their transit facilities. For instance, in Essen the number of rides per capita in 1912 was only ninety-five, while in Dresden it was 237. The usage of the street railways does not seem to vary in proportion to the population.

The following table shows the number of passengers carried on the street railways of the principal German cities in 1911 and 1912, the population, census of 1910, and the number of passengers carried per capita in 1911 on the basis of 1910 population, in comparison with similar figures for Greater New York:

	Population, Census of 1910.	Passengers Carried, 1911.	Per Capita in 1911 on Basis of 1910 Popula'n.	Passengers Carried, 1912.
Greater N. Y.	4,766,883	1,603,901,397	336	1,680,913,935
Actual	....	....	328	....
Berlin, with 30 suburbs	3,480,000	648,252,625	186	677,442,244
Hamburg-Altona	1,105,000	166,721,751	151	172,640,044
Munich	596,000	115,553,096	194	125,511,790
Leipsic	588,000	119,885,660	204	130,184,119
Dresden	547,000	129,944,766	237	136,993,898
Cologne	517,000	109,410,597	212	115,875,360
Breslau	512,000	77,200,670	151	84,083,121
Frankfort on Main-Offenbach	491,000	114,376,981	233	119,787,940
Essen (Ruhr) with Borbeck and Altenessen	410,000	39,049,943	95	44,970,213
Nuremberg-Fuerth	400,000	39,693,307	99	44,475,844
Hanover-Linden	376,000	56,097,046	149	60,108,376
Düsseldorf	358,000	66,858,387	181	77,001,257
Elberfield-Barmen	340,000	34,070,684	100	35,130,002
Chemnitz	288,000	28,698,580	99	31,453,958
Stuttgart	286,000	43,670,171	153	50,641,904
Magdeburg	280,000	33,373,193	119	34,836,162

Germany has made but little progress in the electrification of steam railroads. Several years ago a short line from Berlin to Marienfelde was electrified, but there have been no important developments of this character recently.

PUBLIC UTILITY NEWS

American Telephone and Telegraph Company

The company has issued a notice to the holders of the common stock of the Pacific Telephone and Telegraph Company offering to exchange American Telephone and Telegraph stock for common stock of the Pacific Company on the basis of two shares of the former for nine shares of the latter.

* * *

American Water Works and Electric Company

William T. Wallace, general manager, has been named by the Federal court at Boise, Idaho, receiver for the Great Shoshone and Twin Falls Water Power Company, a subsidiary of the American Water Works and Electric Company. This action was taken on the application of a general creditor.

* * *

Byllesby Properties

All Byllesby electric properties reporting for week ended Nov. 7 showed net connected lead gains of 512 customers, with 302 kilowatts lighting lead. There was a temporary loss of 163 horsepower in motor business.

* * *

Commonwealth Power, Railway and Light

Carrying out its plans for the elimination, so far as possible, of all intermediate holding and operating companies, the company will consolidate all its electric generating, transmission, and distributing companies in Michigan under the Consumers Power Company.

* * *

Rural Telephone Rates

The Illinois Public Utilities Commission has advised that 16 per cent. on the investment is what the commission regards as a legitimate return on business done by rural telephone companies throughout the State. The commission does not set this as the irrevocable maximum, but states that it will be inclined to count any return over that as excessive and therefore not equitable. The ruling contemplates 8 per cent. for interest and 8 per cent. for depreciation.

* * *

Third Avenue

	1914.	1913.	Increase.
September gross	$935,136	$924,592	$10,544
Net after taxes	279,412	317,372	*37,960
Surplus after charges	74,812	110,777	*35,965
Three months' gross	2,894,846	2,896,444	*1,598
Net after taxes	952,891	987,657	*34,766
Surplus after charges	335,549	361,757	*26,208

*Decrease.

* * *

Union Gas and Electric-Diamond Light Company

In a decision handed down by a Cincinnati court, refusing to restrain the Diamond Company from laying the conduits, the court holds that a monopoly of the lighting business of a municipality or for the furnishing of electricity for commercial purposes cannot be given to any corporation or individual and that competition can enforce its rights.

News Digest

FORECAST AND COMMENT

President Wilson (in a Letter to Secretary McAdoo)

We are all in the same boat, though apparently we had forgotten it. We now know the port for which we are bound. We have and shall have more and more, as our new understandings ripen, a common discipline of patriotic purposes. We shall advance, and advance together, with a new spirit, a new enthusiasm, a new cordiality of spirited co-operation. It is an inspiring prospect. Our task is henceforth to work, not for any single interest, but for all the interests of the country as a united whole.

* * *

William C. Redfield

Let the worst be said and admitted that can be said respecting existing business difficulties in America, but condition still remains not only relatively bright, but rapidly improving, and in many respects both prosperous and promising.

* * *

President Rea (of the Pennsylvania Railroad)

The railway situation will be vastly improved and expenditures will become possible as soon as companies have anything to base constructive activity on. If the 5 per cent. increase in freight rates is granted, companies will be enabled to base their future financial expenditures on something tangible.

* * *

Iron Age

Pig iron buying has increased; as to that there is no doubt. In finished steel markets the expectation of better buying just ahead is stronger, for inquiry has grown, and in some lines the decline in orders has stopped.

* * *

Iron Trade Review

Evidence is multiplying of the switch to better sentiment in the iron and steel trade, and this is beginning to stir the consideration of buying in quarters which have been strongly indifferent.

* * *

American Wool and Cotton Reporter

The wool market is exceptionally strong, the scarcity of stocks of certain grades becoming emphasized, foreign crossbreds in particular being practically out of the market.

* * *

Henry L. Doherty

General business is fairly good in spite of the war. Of course, there is a falling off in many lines, due particularly to an effort at economy; but business is not by any means bad.

* * *

H. M. Byllesby

I believe the Pacific Coast, in common with the whole country, is on the eve of a good commercial and industrial revival.

* * *

John V. Farwell Company

Real improvement is being manifested in wholesale dry goods and general merchandise business this week due to brisk cold weather. Collections are improving.

* * *

John Moody

The first few days' experience of open trading in the Curb market has served as an excellent reflection of the steady growth in confidence and the easing up of the mechanism of finance and trade.

* * *

Charles M. Schwab

This is the first time in three years I have felt optimistic over the business outlook for the United States. * * * I look for ten years of unequaled prosperity for this country.

LATEST EARNINGS OF PUBLIC UTILITIES

October Gross and Net

October, Compared With Same Month in 1913. Gross. Amount.	Gross. Change.	Net. Amount.	Net. Change.	Utility.	Twelve Months Ended Oct. 31, Compared With Same Period a Year Before. Gross. Amount.	Gross. Change.	Net. Amount.	Net. Change.
$310,837	+ $7,829	$151,203	+ $4,690	American Power and Light‡	$3,790,291	+ $249,126	$1,789,927	+ $186,373
57,540	— 5,172	21,311	— 3,606	Associated Gas and Electric	665,046	— 23,430	269,554	— 7,031
311,211	+ 137,743	289,821	+ 136,112	Cities Service	3,940,940	+ 2,291,063	3,837,883	+ 2,273,986
291,849	+ 15,184	183,064	+ 37,751	Consumers' Power	*2,776,210	+ 237,059	*1,793,381	+ 437,386
82,470	+ 9,757	37,814	+ 4,793	Dayton Power and Light	999,688	+ 240,236	438,191	+ 130,569
569,962	+ 74,243	254,711	+ 50,363	Detroit Edison	*5,151,080	+ 716,956	*2,149,437	+ 342,430
81,116	+ 17,141	45,960	+ 10,226	Fort Worth Power & Light	876,696	+ 245,066	470,883	+ 103,258
268,080	— 13,406	44,054	— 8,361	Louisville Railway	*2,661,966	— 28,045	*421,563	— 22,716
2,097,099	— 16,431	901,825	— 1,067	Philadelphia Rapid Transit	†7,910,775	— 981,006	†3,352,818	— 13,506
253,133	— 34,168	97,137	— 884	Republic Ry. and Light	*2,512,306	+ 61,601	*1,007,981	+ 91,506
149,656	+ 38,693	57,427	+ 14,357	Texas Power and Light	1,566,889	+ 429,885	548,634	+ 113,580
791,148	+ 32,184	......	....	Twin City Rapid Transit	*7,661,153	+ 396,073	....	....
446,704	+ 882	234,389	+ 2,636	Virginia Railway and Power	†1,761,702	+ 22,404	†914,812	+ 24,266
227,598	+ 2,705	158,459	+ 38,581	Western Power	2,686,747	+ 24,449	1,771,832	+ 73,989

*Ten months. †Four months. ‡Consolidated earnings of Kansas Gas and Electric, Pacific Power and Light, and Portland Gas and Coke.

GENERAL

Financial Chronology

Monday, Nov. 16

Federal Reserve Banks begin business. Reopening of the Cotton Exchanges in the city and at New Orleans. Money on call 5@6 per cent. Demand sterling closes at $4.87¼ and cables at $4.87⅞.

Tuesday, Nov. 17

Sharp decline in cotton, with net losses for the day of 30 to 33 points. Completion of subscriptions of $100,000,000 to Wade Cotton Loan Fund, part of a fund of $135,000,000 to be loaned on cotton at 6 cents a pound. Erie stockholders approve of proposed $300,000,000 refunding and improvement mortgage. Money on call 5 per cent. for new loans. Demand sterling closes at $4.87¾ and cables at $4.88⅜.

Wednesday, Nov 18

Expected that trading in bonds will be resumed on the Stock Exchange by the end of this week or the first of next week. Money on call for new loans 5 per cent. Demand sterling $4.87⅝ and cables $4.88¼.

Thursday, Nov. 19

Committee of Five decides to postpone for the present the reopening of the Stock Exchange for bond trading. Money on call 4¾@5 per cent. for new loans. Demand sterling $4.88½ and $4.88⅞ for cables.

Friday, Nov. 20

Money on call 4¾@5 per cent. for new loans. Demand sterling $4.88 and $4.88¾ for cables.

Saturday, Nov. 21

Bank statement shows increase in surplus reserve of $169,416,000 due to the operation of the new Federal Reserve system whereby reserve requirements are reduced from 25 per cent. to 18 per cent.

* * *

The War

The fighting in France and Belgium continued through the week, with minor victories reported by both sides, but nothing of a decisive character was announced, and at the end the battle lines showed little change from the close of the preceding week.

During the week the Germans threw a large force into Poland and checked the Russian advance. At the close of the week it was reported that there were over 7,000,000 men on the eastern battle line, and the fighting, which had been raging desperately for several days, was still going on. Both Petrograd and Berlin state that the results of this great engagement will be very important.

Russian and Turkish fleets met in the Black Sea on Sunday, the 15th, without decisive result. A German squadron bombarded Libau on Tuesday, and on the same day the Russians bombarded Trebizond.

A launch containing sailors from the United States cruiser Tennessee was fired on by Turkish forts while attempting to enter the Port of Smyrna on Monday. On Saturday Turkey explained that this action was taken because the launch was entering a mined harbor, and the shots were merely intended as a warning.

A report from Berlin says that the superdreadnought Audacious was sunk by a submarine, not a mine, as previously reported.

* * *

Preparing to Reopen Exchanges

The Special Committee of Five announced last Saturday that the plan for trading in bonds will be submitted tomorrow to the Governing Committee of the Stock Exchange. If the committee approves, the plan will be put into operation at an early date. It was announced last Wednesday that the Exchange would be opened for restricted bond trading on Saturday or today, but later this decision was reversed.

President Diechman of the St. Louis Stock Exchange said last week that that Exchange would probably reopen within a few days. The New Orleans Exchange reopened last Thursday for trading in bonds only. The Board of Governors of the Chicago Stock Exchange last week decided to reopen that Exchange today. Trading will be allowed in all listed bonds and stocks, but will at first be limited to closing prices of July 30, less amount of one dividend, if a dividend has been declared.

* * *

Bond Committee Dissolved

The Committee of Seven on unlisted securities has dissolved. The following statement was given out:

As a well-established market now exists in unlisted bonds and unlisted guaranteed stocks at prices which do not endanger the loan situation, the Committee of Seven believes that its services are no longer required, and has adjourned sine die. The committee desires to express its appreciation of the spirit of co-operation during the period of restricted trading.

* * *

Industrial Loan Company Organized

The Morris Plan Company of New York, which is to operate in the State a plan of industrial loans, providing opportunity for persons of moderate means to secure loans of money at reasonable rates of interest, repayable under equitable conditions acceptable to the borrower and safe and remunerative for the lender, filed its organization certificate in Albany last Friday.

* * *

Railroads File New Fare Schedules

Railroads in the Trunk Central and Central Passenger Association territory last week filed with the Interstate Commerce Commission further proposed increases in passenger tariffs. These follow increases in commutation and mileage rates. The new rates are to go into effect on Dec. 1.

* * *

Steel Mills Reopen

The Gary steel mills at Gary, Ind., reopened last Monday, giving employment to 5,000 men. The mills have been closed since the outbreak of war.

* * *

Ruling on Excess Baggage Charges

In a ruling made last week in the case of the National Baggage Committee, representing various commercial organizations, against sixty-nine selected carriers operating in all sections of the country, the Interstate Commerce Commission fixed a value not to exceed 66 2-3 cents a pound on excess baggage whose owner does not declare a greater valuation at the time of checking. The commission also prescribed a charge of 10 cents for each $100 of excess valuation declared at the time of checking. Existing rates charged by the carriers cited for excess baggage were held to be reasonable.

* * *

Issuing of Travelers' Checks Resumed

At a conference of representatives of banking institutions and companies issuing travelers' checks at the Bankers Trust Company last week, it was decided that banking conditions abroad have so far improved that it is permissible to resume the sale of travelers' checks for use in all parts of the world.

* * *

Cost of Railway Valuation

Charles A. Prouty, Director of Physical Valuation for the Interstate Commerce Commission, said last Wednesday that it was going to cost about $12,500,000 to complete the railway valuation work ordered by Congress, and from $1,000,000 to $1,250,000 more to find the cost of reproducing the telegraph lines of this country.

* * *

Cotton Loan Pool

Secretary of the Treasury McAdoo announced last Tuesday that the cotton loan pool had been completed by receipt of subscriptions of $2,000,000 from Kuhn, Loeb & Co. and $1,000,000 from Bernard M. Baruch. These subscriptions more than completed the $100,000,000 of Class A certificates. The Cotton Loan Committee, headed by W. P. G. Harding and Paul M. Warburg of the Federal Reserve Bank, held a meeting in New York on Friday preparatory to putting the plan in operation. The Controller of Currency has ruled that national banks subscribing for Class A and Class B certificates may carry them as stocks, bonds, or securities, and the Secretary of the Treasury has agreed to accept them at 75 per cent. of their face value when offered through national currency associations for emergency currency issued under the Aldrich-Vreeland act, as amended.

RAILROADS

Atlantic Coast Line

At the annual meeting H. L. Borden, Secretary, and F. B. Adams were elected Directors, succeeding J. J. Lucas and J. R. Kenly. Directors took no action on the dividends due to be declared this month. The dividend question will go over to the December meeting. Income account for the year ended June 30, 1914, compares as follows:

	1914.	1913.	1912.
Gross op. rev.	$36,832,780	$36,123,072	$33,463,558
Expenses and taxes.	27,782,886	26,087,009	23,940,978
Net revenue	9,049,892	10,036,063	9,522,580
Other income	4,056,042	3,721,908	3,263,201
Surplus	7,329,008	7,883,203	7,010,882
Dividends	4,808,957	4,590,162	4,108,512
Surplus	2,520,051	3,293,041	2,902,370

* * *

Baltimore & Ohio

At the annual meeting stockholders voted unanimously in favor of the plan to place a general refunding and improvement mortgage of $600,000,000 upon the property, as well as plan to purchase subsidiary lines of the company in Ohio.

* * *

Chesapeake & Ohio

Directors last week declared a dividend of 1 per cent., payable Dec. 31, to stockholders of record Dec. 5.

* * *

Chicago & Alton

At the stockholders' meeting last Tuesday Roberts Walker and Louis C. Krauthoff were elected Directors. They represent the Central Trust Company of New York, the trustee of the bonds of the Toledo, St. Louis & Western Railroad Company which are secured by $14,000,000 of common and $6,000,000 preferred Alton stock pledged by the Clover Leaf System.

* * *

Delaware, Lackawanna & Western Railroad Co.

The Department of Justice has filed in the Supreme Court appeal from the lower court's decision in the case against the company and the Delaware, Lackawanna and Western Coal Company for violation of the commodities clause of the Interstate Commerce act.

* * *

Denver & Salt Lake Railroad

Newman Erb last week denied the report that he had lost control of the property or that he would soon resign.

* * *

Erie

At a special meeting stockholders approved of and authorized the execution of a $300,000,000 refunding and improvement mortgage.

* * *

Northern Pacific

The company has purchased the Gilmore & Pittsburgh Railroad.

* * *

Rock Island

The Circuit Court of Appeals has reversed the decision of Judge Mayer in the District Court, which refused permission to allow N. L. Amster to intervene in the Rock Island foreclosure proceedings. The court will hand down its opinion this week. The Circuit Court of Appeals also reversed the order of Judge Mayer, directing the foreclosure sale on Nov. 24. As a result of this decision the sale will not take place as scheduled. The Chicago, Rock Island & Pacific Railway has issued its annual report for the year ended June 30, 1914. The report includes the operations of the Chicago, Rock Island & Gulf and the Chicago, Rock Island & Pacific. The income account compares as follows:

	1914.	1913.	1912.
Av. miles oper.	8,205	8,048	8,036
Gross oper. rev.	$68,208,113	$71,364,935	$64,712,853
Oper. expenses	50,999,946	52,504,102	46,759,494
Net oper. rev.	17,208,166	18,860,833	17,953,359
Outside op., debit	174,473	191,577	196,977
Total net revenue	17,033,693	18,669,256	17,756,382
Taxes	3,315,632	2,946,438	2,793,315
Operating income	13,718,061	15,722,818	14,963,067
Other income	342,794	1,221,372	924,222
Total income	14,060,855	16,944,190	15,887,289
Deductions—			
Interest	11,657,784	11,066,032	10,492,135
Rentals	1,828,776	1,819,803	1,544,758
Sep. oper. properties.	123,674	....	....
Total deductions	13,610,234	12,885,835	12,036,893
Net income	4,450,621	4,058,355	3,850,396
Dividends	....	3,743,525	3,743,760
Surplus	450,621	314,830	106,636

INDUSTRIAL, MISCELLANEOUS

H. B. Claflin Company

Judge Hand in the United States District Court last week signed an opinion in the case of David Klein and others as creditors of H. B. Claflin Company to be preferred in equity proceedings. Judge Hand in his opinion said: "The considerations of equity against raising a constructive trust appear to me as insurmountable as ever. The result would be to create a preferred class out of those creditors who accepted the same risk of the defendants' credit as all the other creditors. As the allegations of fraud are not presented, the petitions will be dismissed with costs."

* * *

Corn Products Refining Company

Hearings in the Government's dissolution suit against the company were begun in Chicago last Monday.

* * *

Metropolitan Life Insurance Company

Officers and Directors of the company are submitting a plan to policyholders for the mutualization of the company. The proposition was sent out under date of Nov. 18 by John R. Hegeman, President, and has been uninimously approved by the Directors.

* * *

United States Motor Company

In an action brought in the New York Supreme Court by Emanuel Metzger, a stockholder, on behalf of himself and others, against the company and former officers and Directors, an accounting and the appointment of a receiver for the defendant company are asked. The charges are mismanagement and fraud.

Agriculture

The Chicago Wheat Market Is Uncertain

Public Is Rather Bullish, but Lacks a Leader — Corn Prices Broke Sharply Last Week

Special Correspondence of The Annalist

CHICAGO, Nov. 20.

THE wheat market is two-sided, with sustained foreign demand and big visible supply. Eight days of decline shook out the weak longs and developed a goodly short interest. Although the visible supply, exceeding 73,000,000 bushels, is the largest at this time in more than twenty years, a good deal of it is supposed to be under contract to move out. Speculatively the market is most precarious because subject to sudden influence of false rumors of more war or some peace at any time. Sharp fluctuations both ways must be expected while the war continues. The public is always bullish if in the game at all, and the difficulty with the long side now is that there are too many bulls without any big leader—although Standard Oil interests are said to be accumulating—and the world scarcity of foodstuffs has been very widely advertised.

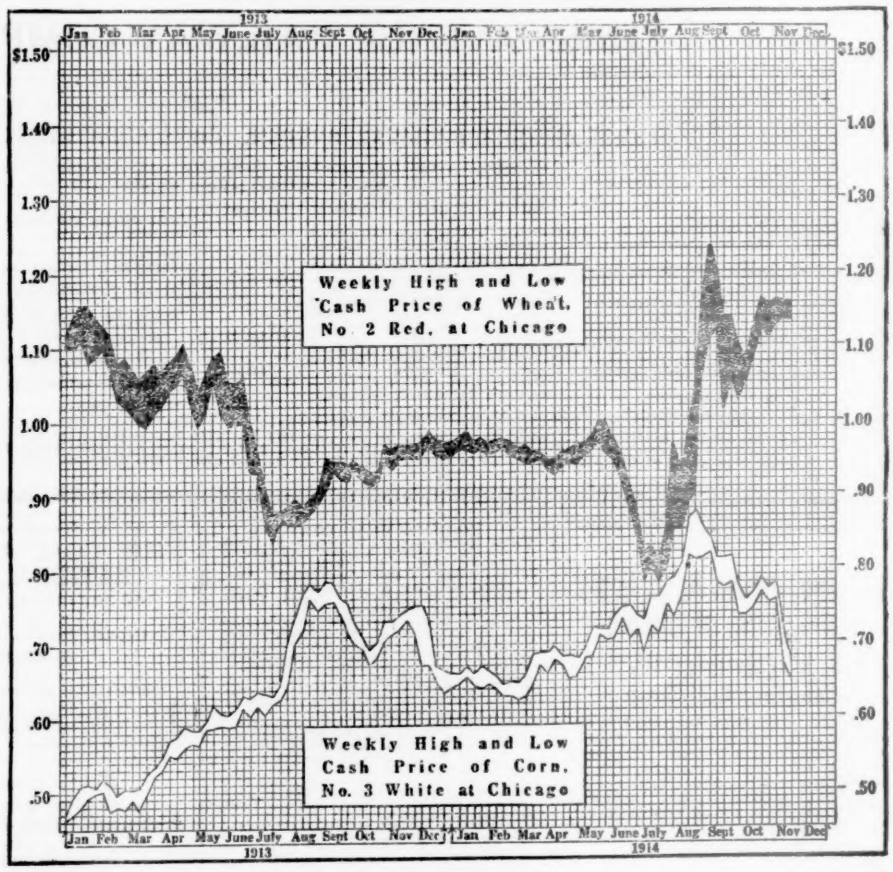
LARGE SUPPLY

There may be more difficulty than anticipated in getting sufficient vessel room at reasonable rates. Furthermore, with 13,000,000 bushels more in the visible than last year and the price 32 cents a bushel higher, a good deal has been discounted. Easier money rates, however, will encourage public participation and enable farmers also to speculate by holding back more grain. Cash values have hardened recently in all grain centres. New Winter wheat crop reports are highly favorable.

Corn is moving from the old to the new crop basis, with good weather for curing the new corn and prospects of large receipts. Farmers are disposed to sell but not cheaply, not below 60 cents in the country. There has been a break of 7 to 8 cents in cash corn within a week. Oats receipts have been falling under the shipments of late, the country elevators having cleaned up to handle corn. The oats movement, however, has been above the seasonal average. Relatively the cheapest cereal probably is barley, choice grades of which have been selling below a feeding basis. The Pacific Coast has not much left. Feeding values of all cereals have been adversely affected by the cattle quarantine.

Provisions trade is fair. Heavy demand from abroad for many hog products is expected, although lard exports to Germany have ceased suddenly. Foreign demand for horses continues unabated.

The Trend of Grain Prices



REPORTS AND OPINIONS

Ginning Report

The Government report, giving the amount of cotton ginned to Nov. 14, counting round bales as halves and excluding linters, compares as follows:

1914	11,624,708	1912	10,299,646
1913	10,444,529	1911	11,313,236

The amount ginned between Nov. 1 and Nov. 14 compares as follows:

1914	1,796,013	1912	1,430,424
1913	1,614,133	1911	1,342,331

Statistics of round bales and sea island cotton compare as follows:

	1914.	1913.	1912.	1911.
Sea Island	53,875	51,950	40,389	71,204
Round bales	32,454	74,127	62,490	76,011

Government's ginning returns to Nov. 14 of 11,624,709 bales, mark a new record since the Census Bureau began reporting, in 1907. The output is 1,180,179 bales larger than that of a year ago, and 311,472 bales above the best previous total. The best previous return for the first two weeks in November of 1,614,133 bales, was exceeded this year by 181,880 bales.

* * *

Price Current

The Winter wheat crop has made good growth and reports indicate that the plant is generally strong and in most favorable condition for Winter. Our correspondents report the average yield of corn per acre based on the husking returns, which yields we have applied to the Government estimate of acreage, showing total production for the surplus States as follows:

	Yield.	Estimated Production, 1914	Government Final, 1913.
Ohio	38	145,236,000	146,250,000
Indiana	32	158,368,000	176,400,000
Illinois	32	331,072,000	282,150,000
Missouri	23	166,244,000	129,062,000
Iowa	37	379,176,000	328,300,000
Nebraska	26	193,908,000	114,150,000
Kansas	16	103,072,000	23,424,000
Total	..	1,477,076,000	1,217,736,000

Slaughterings of hogs in the West for the week ended Nov. 14 were 467,000, compared with 577,000 in the previous week, and 632,000 a year ago. Total from Nov. 1 to Nov. 14 1,044,000, against 1,214,000 for the corresponding period one year ago.

* * *

Modern Miller

There have been complaints from districts in Kansas and Nebraska, where dry weather prevented vigorous growth in late sown wheat. In general the crop goes into Winter with vigorous growth. The prevalence of fly has created some apprehension in soft Winter States. Our reports indicate that the holding policy of farmers will begin to tell in a decreased movement in the near future

Grain and Cotton Markets

Quotations last week were as follows:

New York

COTTON MARKETS

	Dec. High.	Dec. Low.	Jan. High.	Jan. Low.	March High.	March Low.
Nov. 16	7.48	7.28	7.85	7.59	7.95	7.77
Nov. 17	7.30	6.96	7.56	7.23	7.71	7.45
Nov. 18	6.97	6.85	7.21	7.15	7.43	7.36
Nov. 19	7.03	6.93	7.27	7.25	7.50	7.43
Nov. 20	7.17	7.00	7.40	7.29	7.57	7.45
Nov. 21	7.40	7.17	7.60	7.45	7.69	7.54
Week's range	7.48	6.85	7.85	7.15	7.95	7.36

	May. High.	May. Low.	July. High.	July. Low.	Oct. High.	Oct. Low.
Nov. 16	8.15	7.96	8.20	7.95	8.50	8.30
Nov. 17	7.94	7.65	8.10	7.83	8.35	8.06
Nov. 18	7.66	7.57	7.83	7.72	8.05	7.98
Nov. 19	7.70	7.63	7.93	7.85	8.11	8.01
Nov. 20	7.76	7.66	7.94	7.89	8.09	8.08
Nov. 21	7.88	7.74	8.05	7.94	8.16	8.06
Week's range	8.15	7.57	8.20	7.72	8.50	7.98

Chicago

WHEAT

	Dec. High.	Dec. Low.	May. High.	May. Low.
Nov. 16	$1.15⅝	$1.14⅝	$1.21⅝	$1.20¾
Nov. 17	1.15⅛	1.13¾	1.21⅛	1.19⅝
Nov. 18	1.16	1.15	1.22⅞	1.21
Nov. 19	1.16⅝	1.15	1.22½	1.21⅝
Nov. 20	1.16	1.15¼	1.22¼	1.21⅛
Nov. 21	1.15½	1.15	1.21½	1.21⅛
Week's range	1.16⅝	1.13¾	1.22½	1.19⅝

CORN

	Dec. High.	Dec. Low.	May. High.	May. Low.
Nov. 16	.68	67¼	71½	70⅝
Nov. 17	.67½	66⅝	71	70⅝
Nov. 18	.67¾	67	71½	70⅞
Nov. 19	.67⅝	66⅞	71½	71
Nov. 20	.67	66⅜	71¼	70⅝
Nov. 21	.66⅞	66¼	71	70⅝
Week's range	.68	66¼	71½	70⅝

OATS

	Dec. High.	Dec. Low.	May. High.	May. Low.
Nov. 16	.49⅞	49½	53⅞	53¼
Nov. 17	.49½	47¼	53½	53⅛
Nov. 18	.50	49⅝	53⅞	53½
Nov. 19	.50⅛	49¾	54	53¾
Nov. 20	.50¼	49⅝	53⅝	53⅝
Nov. 21	.50⅜	50⅛	54	53¾
Week's range	.50⅜	49¼	54	53⅛

ADVERTISEMENT. | ADVERTISEMENT. | ADVERTISEMENT. | ADVERTISEMENT.

THIRD AVENUE RAILWAY COMPANY—Continued.

"B"

THIRD AVENUE RAILWAY SYSTEM. CONSOLIDATED STATEMENT OF INCOME

THIRD AVENUE RAILWAY COMPANY AND CONTROLLED COMPANIES
YEARS ENDED JUNE 30, 1914 AND 1913

	1914	1913	Increase	Decrease
OPERATING REVENUE:				
Revenue from Transportation	$10,456,705.17	$9,742,345.40	$714,359.77	
Revenue from Other Operations	401,510.86	375,501.96	26,008.90	
Total Operating Revenue	$10,858,216.03	$10,117,847.36	$740,368.67	
OPERATING EXPENSES:				
Maintenance of Way and Structures	$1,012,646.16	$838,620.95	$174,025.21	
Maintenance of Equipment	713,003.13	614,792.51	98,210.62	
Depreciation	511,250.00	461,500.00	49,750.00	
Power Supply	779,130.78	794,484.43	....	$15,353.65
Operation of Cars	2,849,929.66	2,580,920.11	269,009.55	
Injuries to Persons and Property	614,609.10	533,808.45	80,800.65	
General and Miscellaneous Expenses	525,466.47	526,012.33	....	545.86
Total Operating Expenses	$7,006,035.30	$6,350,138.78	$655,896.52	
NET OPERATING REVENUE	$3,852,180.73	$3,767,708.58	$84,472.15	

	1914	1913	Increase	Decrease
NET OPERATING REVENUE	$3,852,180.73	$3,767,708.58	$84,472.15	
TAXES	730,784.41	725,693.34	5,091.07	
OPERATING INCOME	$3,121,396.32	$3,042,015.24	$79,381.08	
INTEREST REVENUE	75,215.44	70,170.14	5,045.30	
GROSS INCOME	$3,196,611.76	$3,112,185.38	$84,426.38	
DEDUCTIONS FROM GROSS INCOME:				
*†Interest on Funded Debt	$2,368,071.92	$2,027,462.88	$340,609.04	
Interest on Notes	134,173.31	107,236.48	26,936.83	
Rent Deductions, etc.	38,060.72	30,527.98	7,532.74	
Reserve for Sinking Fund	30,000.00	30,000.00	....	
Total Deductions	$2,570,305.95	$2,195,227.34	$375,078.61	
NET INCOME	$626,305.81	$916,958.04	....	$290,652.23

*Includes Interest on Adjustment Income Bonds at 5% for the year 1914 and 3¾% for the year 1913.
†Does not include Interest on Certificates of Indebtedness of the Dry Dock, East Broadway and Battery Railroad Company.
NOTE: Operations of Belt Line Railway Corporation are included for the full year of 1914 and from March 22nd to June 30th of the year 1913.

Chicago, Peoria & St. Louis Railway Co. of Illinois

Prior Lien Mortgage 4½% Thirty-Year Gold Bonds

All holders of the above bonds who have not heretofore done so, and who desire to avail of the benefits of a Protective Agreement dated September 2, 1914, are requested to at once deposit their bonds with September 1, 1914, and all subsequent coupons attached, with **THE EQUITABLE TRUST COMPANY OF NEW YORK**, 37 Wall Street, New York, the Depositary thereunder, which will issue Certificates of Deposit therefor. Copies of the Protective Agreement may be obtained from the Depositary or from any member of the Committee.

NO DEPOSITS WILL BE ACCEPTED AFTER NOVEMBER 30, 1914, EXCEPT BY CONSENT OF THE COMMITTEE AND ON SUCH TERMS AS IT MAY IMPOSE.

Dated: New York, November 19, 1914.

SIDNEY C. BORG, Chairman;
HENRY E. COOPER,
THOMAS DENNY,
ROBERT STRUTHERS, JR., Committee.
J. N. BABCOCK, Secretary, 37 Wall Street, New York.
LEVENTRITT, COOK & NATHAN, Counsel.

OFFICE OF
THE LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY COMPANY.
New York, November 17th, 1914.

To the holders of THE LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY COMPANY'S TWENTY-FIVE YEAR FOUR PER CENT. GOLD BONDS OF 1903:

Notice is hereby given that Guaranty Trust Company of New York, the Trustee named in the indenture dated November 18, 1903, under which have been issued The Lake Shore and Michigan Southern Railway Company's Twenty-five Year Four Per Cent. Gold Bonds of 1903, has resigned as such Trustee; and that, pursuant to Article Seven of said indenture, said Railway Company, by an instrument executed by order of its Board of Directors, has appointed Central Trust Company of New York Trustee of and under said indenture in succession to said Guaranty Trust Company of New York.

DWIGHT W. PARDEE, Secretary.

OFFICE OF
THE LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY COMPANY.
New York, November 17th, 1914.

To the holders of THE LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY COMPANY'S TWENTY-FIVE YEAR FOUR PER CENT. GOLD BONDS OF 1906:

Notice is hereby given that Guaranty Trust Company of New York, the Trustee named in the indenture dated March 12, 1906, under which have been issued The Lake Shore and Michigan Southern Railway Company's Twenty-five Year Four Per Cent. Gold Bonds of 1906, has resigned as such Trustee; and that, pursuant to Article Seven of said indenture, said Railway Company, by an instrument executed by order of its Board of Directors, has appointed Central Trust Company of New York Trustee of and under said indenture in succession to said Guaranty Trust Company of New York.

DWIGHT W. PARDEE, Secretary.

PENNSYLVANIA COMPANY 40-YEAR GUARANTEED 3½ PER CENT. GOLD TRUST CERTIFICATES, SERIES "D," DUE 1944.

Pursuant to the terms of an agreement dated December 1st, 1904, the undersigned invites tenders of the above certificates for sale and delivery as of December 1st, 1914, at a price not exceeding par and interest, to the extent of $100,000, the sum now payable to the Sinking Fund.

Sealed tenders, stating specific numbers of certificates offered, should be addressed to GIRARD TRUST COMPANY, Trustee, Sinking Fund Pennsylvania Company, 40-year Guaranteed 3½ per cent. Gold Trust Certificates, Series "D," and will be received until 3 p. m. November 30, 1914. Accepted certificates must be delivered on December 2d, or security furnished that day, if required, that delivery will be made within ten days.

GIRARD TRUST COMPANY, Trustee.
GEORGE H. STUART 3D, Treasurer.
Philadelphia, Pa., November 14, 1914.

TO HOLDERS OF CERTIFICATES OF DEPOSIT of Equitable Trust Company issued for bonds of the Improved Property Holding Company of New York, Series "B":

Notice is hereby given that the Committee of Bondholders appointed under agreement dated May 23, 1912, has prepared and adopted a plan of reorganization and filed the same with the Equitable Trust Company in the City of New York, in accordance with the provisions of said agreement.

New York, November 14, 1914.
EDWARD F. CLARK, Chairman.

HOCKING COAL COMPANY.
First Mortgage 6% 20-Yr. S. F. Gold Bonds, Issued Under Indenture Dated July 1, 1912, between Hocking Coal Company, The Minneapolis & St. Louis R. R. Co., and Empire Trust Company, as Trustee.

Notice is hereby given that in accordance with the provisions of the above-mentioned indenture and supplemental indenture dated January 28th, 1913, bonds now outstanding, bearing the following distinctive numbers, have been drawn by lot, by the undersigned, as Trustee under said indenture, for redemption on January 1st, 1915, out of the moneys in the sinking fund, to wit:—

30, 35, 47, 50, 51, 52, 155, 157, 158, and 170.

Said bonds so drawn for redemption will be paid on and after January 2d, 1915, at the Cedar Street Office of the undersigned Trustee, 65 Cedar Street, N. Y. City, upon presentation and surrender of said bonds with all coupons then unmatured at 105% of their par value. Interest on said bonds will cease on January 1st, 1915.

EMPIRE TRUST COMPANY, Trustee.
By R. G. CURTS, Asst. Trust Officer.
Dated N. Y. City, November 2d, 1914.

DIVIDENDS.

THE NEW YORK AIR BRAKE COMPANY.
Forty-eighth Quarterly Dividend.

The Board of Directors has this day declared a quarterly dividend of ONE AND ONE-HALF PER CENT. (1½%), payable December 23, 1914, to stockholders of record at the close of business December 2, 1914.

The transfer books will not close.

Checks for dividend will be mailed to stockholders at the addresses last furnished to the Transfer Office.
C. A. STARBUCK,
New York, November 18, 1914. President.

UNION AMERICAN CIGAR COMPANY DIVIDEND NOTICE.

The Board of Directors has declared a quarterly dividend of one and three-quarters per cent. (1¾%) on full shares of Preferred Stock of the Company, payable November 15, 1914, to stockholders of record November 1, 1914. Transfer books to be closed November 1 to November 15, inclusive.

N. D. LEAN, Treasurer.

NORTHERN PACIFIC DEFINITIVE BONDS READY.

The Northern Pacific Railway Co. is now prepared to deliver, at its office, 34 Nassau Street, its Definitive Coupon Refunding and Improvement 4½ Per Cent. Bonds, Series "A," in exchange for the temporary bonds recently issued.

NORTHERN PACIFIC RAILWAY COMPANY.
GEORGE H. EARL, Secretary.
New York, November 16, 1914.

The Peoples Gas Light & Coke Co.

Notice is hereby given that a dividend of two per cent., being the quarterly dividend at the rate of eight per cent. per annum, has been declared on the capital stock of the Company, payable Nov. 25th, 1914, to stockholders of record at the close of business on Nov. 2nd, 1914.

Chicago, Oct. 12th, 1914.
L. A. WILEY, Secretary.

THE NATIONAL SUGAR REFINING COMPANY OF NEW JERSEY.
New York, November 17th, 1914.

The Board of Directors of this Company have this day declared a dividend of ONE AND ONE-HALF PER CENT (1½%) on the Capital Stock of the Company, payable January 2nd, 1915, to stockholders of record at the close of business December 7th, 1914.

H. F. MOLLENHAUER, Treasurer.

Jumbo Extension Mining Company
Goldfield, Nevada, Oct. 29th, 1914.

At a meeting of the Board of Directors of the Jumbo Extension Mining Company, a dividend of Five Cents (5c) per share on the capital stock of this Company was declared payable December 15th to stockholders of record November 20th.

BEN GILL, Sec'y.

THE CUBAN-AMERICAN SUGAR CO.

A dividend of one and three-quarters per cent. (1¾%) has been declared on the Preferred Capital Stock Outstanding, payable on January 2, 1915, to the stockholders of record at close of business on December 15th, 1914. Checks for the payment of dividend will be mailed. Transfer books will not be closed.

ALBERT J. AKIN, Secretary.
Dated New York, November 18, 1914.

Southwestern Power & Light Co.
PREFERRED STOCK DIVIDEND.

The regular quarterly dividend of ONE and Three-quarters Per Cent. (1¾%) on the Preferred Stock of the Southwestern Power & Light Company has been declared, payable December 1, 1914, to stockholders of record at the close of business November 25, 1914. Transfer books do not close.

M. H. ARNING, Treasurer.

OFFICE OF
Federal Mining and Smelting Co.
32 Broadway, New York, Nov. 16, 1914.

A dividend of one (1%) per cent. on the Preferred stock of this Company has today been declared, payable December 15th, to stockholders of record at the close of business on November 20th, 1914.

FRANK SWEENY, Secretary.

THE NATIONAL LEAD COMPANY,
111 Broadway, New York City.

The Board of Governors have this day declared a Quarterly Dividend of three-quarters of 1 per cent., (¾%.) on the Common Stock of this Company, payable Dec. 31, 1914. Transfer books close Dec. 11th, reopen Dec. 17th, 1914.

FRED R. FORTMEYER, Asst. Treasurer.

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Charles J. Anderson, Vice-President.
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R. J. Willingham, Jr., Secretary.

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DIVIDENDS.

NATIONAL BISCUIT COMPANY

67th PREFERRED DIVIDEND

THE Board of Directors have declared the sixty-seventh consecutive quarterly dividend of one and three-quarters (1¾) per cent on the Preferred Capital Stock of the Company, payable November 30th, 1914, to stockholders of record at the close of business, November 16th, 1914. Transfer books will not be closed.
F. E. BUGBEE, Treasurer.

OFFICE OF READING COMPANY.
Philadelphia, November 14, 1914.

The Board of Directors has declared from the net earnings a Quarterly Dividend of One Per Cent. (1%) on the First Preferred Stock of the Company, to be paid on December 10, 1914, to stockholders of record at the close of business, November 24, 1914. Checks will be mailed to stockholders who have filed dividend orders with the Treasurer.

JAY V. HARE, Secretary.

GENERAL CHEMICAL COMPANY.
25 Broad Street, New York, October 23, 1914.

A quarterly dividend of one and one-half per cent. (1½%) will be paid December 1, 1914, to Common stockholders of record at 3 P. M., November 19, 1914.

LANCASTER MORGAN, Treasurer.

UNITED CIGAR MANUFACTURERS COMPANY.
New York, November 9th, 1914.

A quarterly dividend of one and three-quarters (1¾%) per cent. will be paid on the Preferred Stock of this Company, on December 1st, 1914, to stockholders of record on November 24th, 1914, at 3 P. M.

SIEGMUND SCHLESINGER, Secretary.

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Efficiency Accountant and Engineer,
Ridgewood, New Jersey.

EDWIN WARFIELD, President.
Henry B. Platt, Vice-Pres. Jos. A. Flynn, Vice-Pres.

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